(Please scan the above QR code to view the Draft Prospectus)

MUTHOOTTU MINI FINANCIERS LIMITED

Muthoottu Mini Financiers Limited ("**our Company**" or "**the Company**" or "**the Issuer**" or "**MMFL**") was originally incorporated as 'Muthoottu Mini Financiers Private Limited', a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated March 18, 1998 issued by Registrar of Companies, Kerala and Lakshadweep ("**RoC**"). Pursuant to a special resolution passed in the general meeting of our shareholders held on September 14, 2013, our Company was converted into a public limited company and a fresh certificate of incorporation was issued by the RoC on November 27, 2013, and our name was changed to 'Muthoottu Mini Financiers Limited'. Our Company holds a certificate of registration dated April 13, 2002 bearing registration number N-16.00175 issued by the Reserve Bank of India ("**RBI**") to carry on the activities of a Non-Banking Financial Company ("**NBFC**") without accepting public deposits under Section 45 IA of the Reserve Bank of India Act, 1934. Pursuant to the name change of our Company, a fresh certificate of registration dated January 1, 2014, was issued by RBI. For further details about our Company, see "*History and Certain Other Corporate Matters*" on page 118.

Corporate Identification Number: U65910KL1998PLC012154; **PAN**: AABCM5994M; **E-mail**: ks.smitha@muthoottumini.com; **Website**: www.muthoottumini.com
Registered Office and Corporate Office: 65/623-K, Muthoottu Royal Towers, Kaloor, Kochi, Kerala – 682 017; **Telephone:** +91 484 291 2100
Compliance Officer and Contact Person: Smitha K. S; **E-mail**: ks.smitha@muthoottumini.com; **Telephone:** +91 484 291 2178
Chief Financial Officer: Ann Mary George; **Email**: annmary@muthoottumini.com; **Tel**:+91 484 291 2107

PUBLIC ISSUE BY OUR COMPANY OF 20,00,000 SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹1,000 EACH, ("NCDS") AT PAR, AMOUNTING UP TO ₹ 10,000 LAKH, HEREINAFTER REFERRED TO AS THE "BASE ISSUE" WITH AN OPTION TO RETAIN OVER-SUBSCRIPTION UP TO ₹ 10,000 LAKH AGGREGATING UP TO ₹ 20,000 LAKH, HEREINAFTER REFERRED TO AS THE "ISSUE". THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 AS AMENDED ("SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, AS AMENDED AND THE SEBI MASTER CIRCULAR. THE ISSUE IS NOT PROPOSED TO BE UNDERWRITTEN.

OUR PROMOTER

Our Promoters are (i) Nizzy Mathew; **Email**: nizzy@muthoottu.com; **Tel**: +91 484 291 2102; and (ii) Mathew Muthoottu; **Email**: mathew@muthoottu.com; **Tel**: +91 484 291 2112. For further details see, "*Our Promoters*" on page 131.

GENERAL RISKS

Investment in debt securities involves a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this Issue. For taking an investment decision, the Investors must rely on their own examination of the Issuer and the Issue, including the risks involved in it. Specific attention of the Investors is invited to the chapter titled "Risk Factors" on page 16 and "Material Developments" on page 136, before making an investment in this Issue. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities or investor's decision to purchase such securities. This Draft Prospectus has not been and will not be approved by any regulatory authority in India, including the RBI, the Securities and Exchange Board of India ("SEBI"), the RoC or any stock exchange in India.

CREDIT RATING

The NCDs proposed to be issued under the Issue have been rated [ICRA] A (Stable) by ICRA Limited *vide* its credit rating letter dated March 27, 2025 and further read with rating rationale dated March 27, 2025. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating given by ICRA Limited is valid as on the date of this Draft Prospectus and shall remain valid on date of the issue and allotment of NCDs and the listing of the NCDs on BSE. The rating is subjected to a periodic review during which it may be affirmed, changed, suspended, withdrawn, or placed on rating watch, based on one or more specific events. For the rating letter and the rating rationale, see "*Annexure II*" of this Draft Prospectus.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION RATE, REDEMPTION AMOUNT, ELIGIBLE INVESTORS & DETAILS OF DEBENTURE TRUSTEE

For details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount, please see "*Issue Structure – Specific terms of NCDs*" on page 240 and "*Annexure I - Day Count Convention*" on page 310 and for Eligible Investors of the NCDs, please see "*Issue Structure* on page 235, and for details of Debenture Trustee please see "*General Information – Debenture Trustee*" on page 41.

LISTING

The NCDs offered through this Draft Prospectus are proposed to be listed on the BSE Limited ("**BSE**"). Our Company has obtained 'in-principle' approval for the Issue from BSE vide its letter dated [•]. BSE shall be the Designated Stock Exchange for this Issue.

PUBLIC COMMENTS

This Draft Prospectus filed with the BSE, pursuant to the Regulation 27 of the SEBI NCS Regulations and will be open for public comments for a period of five days (i.e., until 5:00 pm) from the date of filing of this Draft Prospectus with BSE. All the comments on this Draft Prospectus are to be forwarded to the attention of the Compliance Officer of our Company and/or to the Lead Manager to the Issue. Comments by post and mail shall be accepted. All comments received on this Draft Prospectus will be suitably addressed prior to filing of the Prospectus with the RoC.

LEAD MANAGER	DEBENTURE TRUSTEE*	REGISTRAR TO THE ISSUE
VIVRO FINANCIAL SERVICES PRIVATE LIMITED Vivro House 11, Shashi Colony, Opposite Suvidha Shopping Center, Paldi, Ahmedabad – 380007, Gujarat, India **Telephone:** +91 7940404242/40/41 **Email**: investors@vivro.net **Website**: www.vivro.net **Contact Person**: Jay Dodiya / Kruti Saraiya	**MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED** 1402/1403, B-Wing, Dalamal Towers, 14th Floor, Press Journal Marg, 211, Nariman Point, Mumbai – 400 021, Maharashtra, India **Telephone**: +91 22 2282 8200 **Facsimile**: +91 22 2202 4553 **Email**: contact@mitconcredentia.in **Website**: www.mitconcredentia.in **Contact Person**: Vaishali Urkude	**MUFG INTIME INDIA PRIVATE LIMITED (FORMERLY LINK INTIME INDIA PRIVATE LIMITED)** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli West Mumbai – 400 083, Maharashtra, India **Telephone:** +91 8108114949 **Facsimile:** +91 22 4918 6195 **Email**: mmfl.ncd2025@in.mpms.mufg.com **Website**: https://in.mpms.mufg.com/ **Investor Grievance Email**: mmfl.ncd2025@in.mpms.mufg.com **Contact Person**: Shanti Gopalkrishnan

CREDIT RATING AGENCY	STATUTORY AUDITOR
ICRA Limited Electric Mansion, 3rd Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025 **Telephone:** +91 22 61143406 **Fax**: +91 22 24331390 **Email**: shivakumar@icraindia.com **Website**: www.icra.in **Contact Person**: L Shivakumar	**MOHANDAS & ASSOCIATES,** **Chartered Accountants** IIIrd Floor, Sree Residency, Press Club Road, Thrissur -680001, Kerala **Telephone**: 0487 2333124 **Email**: ma.auditors@gmail.com **Contact Person**: Mohandas Anchery

ISSUE PROGRAMME

ISSUE OPENS ON: AS SPECIFIED IN THE PROSPECTUS	ISSUE CLOSES ON: AS SPECIFIED IN THE PROSPECTUS **

** MITCON Credentia Trusteeship Services Limited, by its letter dated March 28, 2025, has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Prospectus and in all the subsequent periodical communications sent to the holders of the Debenture issued pursuant to this Issue. For further details, please refer to "General Information – Debenture Trustee" on page 41.*

***The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 Working Days and a maximum period of 10 Working Days from the date of the issue and subject to not exceeding 30 days from the date of filing of the Prospectus with ROC including any extensions) as may be decided by the Board of Directors of our Company ("**Board**") or the Debenture Committee, subject to approvals in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in an English national daily newspaper and a regional daily newspaper in the state of Kerala, with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. on one Working Day post the Issue Closing Date. For further details please see "General Information" on page 39.*

A copy of the Prospectus and written consents of our Directors, our Chief Executive Officer, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Auditor, the Lead Manager, the Registrar to the Issue, Public Issue Account Bank, Refund Bank, Sponsor Bank, Credit Rating Agency, the legal advisor, the Bankers to our Company, the Debenture Trustee, FSIAPL and the Syndicate Member to act in their respective capacities shall be delivered for filing to the RoC, in terms of Section 26 of the Companies Act, 2013 along with the requisite endorsed/certified copies of all requisite documents. For further details, please see "Material Contracts and Documents for Inspection" beginning on page 307.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, all references in this Draft Prospectus to "**Issuer**", "**our Company**", "**the Company**" are to Muthoottu Mini Financiers Limited, a company incorporated under the Companies Act, 1956, registered as non-deposit taking non-banking financial company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934. The Registered Office and Corporate Office of the Company is situated at 65/623-K, Muthoottu Royal Towers, Kaloor, Kochi, Kerala – 682 017.

Unless specified elsewhere or the context otherwise indicates, all references in this Draft Prospectus to "we" or "us" or "our" are to our Company.

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Draft Prospectus and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended from time to time.

The words and expressions used in this Draft Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

Company Related Terms

Term	Description
AoA/ Articles/ Articles of Association	Articles of Association of our Company, as amended from time to time
Audit Committee	Audit committee of the Board of Directors of our Company, constituted in accordance with applicable laws
Audited Financial Statements	The audited financial statements of our Company for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 comprising of the statement of assets and liabilities and the schedules forming part thereof, the statement of financial results and the schedules forming part thereof, statement of changes in equity, the statement of cash flow for the respective periods, statement of significant accounting policies, and other explanatory statements including notes thereto, prepared by the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, issued by Previous Statutory Auditor of the Company.
Auditor/ Statutory Auditor	The current statutory auditor of our Company, Mohandas & Associates, Chartered Accountants for the financial year 2024-2025 holding valid certificate issued by the peer review board of the Institute of Chartered Accountants of India.
Board/ Board of Directors	Board of directors of our Company or any duly constituted committee thereof
Corporate Social Responsibility Committee	Corporate social responsibility committee of the Board of Directors of our Company, constituted in accordance with applicable laws.
Committee	A committee constituted by the Board, from time to time.
Debenture Committee	The committee of the Board of Directors of the Company constituted for the purposes of, *inter alia*, issuance of debentures of the Company. For further details, see "*Our Management*" on page 121.
Equity Shares	Equity shares of face value of ₹100 each of our Company
FSIAPL/Fitch	Fitch Solutions India Advisory Private Limited
KMP/ Key Managerial Personnel	The key managerial personnel of our Company as defined under Section 2 (sa) SEBI NCS Regulations. For details, see "*Our Management*" on page 121.
Group Companies	(i) Mini Muthoottu Nidhi Kerala Limited; (ii) MM Nirman and Real Estate Private Limited *(formerly known as Mini Muthoottu Nirman & Real Estate Private Limited)*; (iii) Muthoottu Mini Hotels Private Limited; (iv) Muthoottu Infotech Private Limited *(formerly known as R M M Properties India Private Limited)*; (v) Muthoottu Finance and Services Private Limited *(formerly known as Kozhencherry MM Financial Services Private Limited)*; (vi) Muthoottu Mini Theatres Private Limited
JLG	Joint Liability Group

Term	Description
Limited Review Unaudited Financial Results / Unaudited Financial Results	Limited review unaudited financial results / unaudited financial results of our Company as at and for the nine months period ended period December 31, 2024 prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act read with the relevant rules thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the SEBI Listing Regulations along with the limited review report issued thereon by the Statutory Auditor of our Company.
Loan Assets	Assets under financing activities
Memorandum/ MoA/ Memorandum of Association	Memorandum of association of our Company, as amended from time to time
NBFC	Non-banking financial company as defined under Section 45-IA of the RBI Act, 1934
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board of Directors of our Company, constituted in accordance with applicable laws
Networth	As defined in Section 2(57) of the Companies Act, 2013, as follows: "*Networth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.*"
Previous Statutory Auditor(s)	The previous statutory auditor of our Company, M/s. Ramdas & Venugopal, Chartered Accountants holding valid certificate issued by the peer review board of the Institute of Chartered Accountants of India.
Promoters	Nizzy Mathew and Mathew Muthoottu
Promoter Group	Includes the individuals and entities covered by the definition under Regulation 2(1) (ff) of the SEBI NCS Regulations.
Registered Office and Corporate Office	65/623-K, Muthoottu Royal Towers, Kaloor, Kochi, Kerala – 682 017
Risk Management Committee	The committee of the Board of Directors of the Company constituted for the purposes of *inter alia*, to assist the Board in the execution of its risk management accountabilities. For further details, see "*Our Management*" on page 121.
Senior Management Personnel or SMP	Senior Management Personnel of our Company in accordance with definition of Senior Management in Regulation 2 (iia) of the SEBI NCS Regulations, as described in "*Our Management*" on page 121.
RoC	Registrar of Companies, Kerala at Kochi
Shareholders	The shareholders of our Company

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum accompanying the Application Form containing the salient features of the Prospectus as specified by SEBI
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment Advice	The communication sent to the Allottees conveying the details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
Allot/ Allotment/ Allotted	The issue and allotment of the NCDs to successful Applicants pursuant to the Issue
Allottee(s)	The successful Applicant to whom the NCDs are being/have been Allotted pursuant to the Issue
Applicant/Investor	Any prospective applicant who makes an Application pursuant to the Prospectus and the Application Form
Application Supported by Blocked Amount/ Application/ ASBA Application	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising the relevant SCSB to block the Application Amount in the relevant ASBA Account and will include application made by UPI Investors using UPI where the Application amount will be blocked upon

Term	Description
	acceptance of UPI Mandate Request by UPI Investors, which will be considered as the application for Allotment in terms of the Prospectus
Application Amount	The aggregate value of NCDs applied for, as indicated in the Application Form for the Issue
Application Form/ ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process and which will be considered as the Application for Allotment of NCDs and in terms of the Prospectus
Application Supported by Blocked Amount/ ASBA	The Application (whether physical or electronic) used by an ASBA Applicant to make an Application by authorising the SCSB to block the Application Amount in the specified bank account maintained with such SCSB
ASBA Account	A bank account maintained with an SCSB by an Applicant, as specified in the Application Form submitted by the Applicant for blocking the Application Amount mentioned in the relevant ASBA Form and includes a bank account maintained by a UPI Investor linked to a UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the UPI Investor using the UPI Mechanism
Base Issue	₹ 10,000 lakh
Basis of Allotment	The basis on which NCDs will be allotted to successful applicants under the Issue and which is described in "*Issue Procedure – Basis of Allotment*" on page 285.
Broker Centres	Broker centres notified by the Stock Exchange, where Applicants can submit the Application Forms (including ASBA Forms under UPI in case of UPI Investors) to a Trading Member. The details of such broker centres, along with the names and contact details of the Trading Members are available on the website of the Stock Exchange and updated from time to time
Business Days	All days excluding Saturdays, Sundays or a public holiday in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881
CIBIL	TransUnion CIBIL Limited
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Collection Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for registered brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs
Collecting Depository Participants/ CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the SEBI Master Circular
Collecting Registrar and Share Transfer Agents/CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of the SEBI Master Circular
Coupon Rate / Interest Rate	The aggregate rate of interest payable in connection with the NCDs in accordance with this Draft Prospectus. For further details, see "*Issue Structure – Specific Terms of NCDs*" on page 240.
Credit Rating Agency	For the present Issue, the credit rating agency being, ICRA Limited
Debenture Trust Deed	The trust deed to be executed by our Company and the Debenture Trustee for creating the security over the NCDs issued under the Issue.
Debenture Trustee Agreement	Debenture Trustee Agreement dated March 25, 2025 entered into between our Company and the Debenture Trustee.
Debentures/NCDs	Secured redeemable, non-convertible debentures issued pursuant to the Issue
Deemed Date of Allotment	The date of issue of the Allotment Advice, or such date on which the Board or Debenture Committee approves the Allotment of NCDs. All benefits relating to the NCDs including interest on the NCDs shall be available to the Investors from the Deemed Date of Allotment. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment
Demographic Details	The demographic details of an Applicant such as his address, bank account details, category, PAN, UPI ID, etc. for printing on refund/interest orders or used for refunding through electronic mode as applicable
Depositories Act	The Depositories Act, 1996
Depository(ies)	National Securities Depository Limited and/or Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms used by the ASBA

Term	Description
	Applicants and a list of which is available at https://www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Applicants can submit the Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the website of the Stock Exchange and updated from time to time
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for unblocking of funds from the ASBA Accounts to the Public Issue Account in terms of the Prospectus, the Public Issue Account and Sponsor Bank Agreement and following which the Board, shall Allot the NCDs to the successful Applicants
Designated Intermediaries	The Members of the Syndicate, SCSBs, Registered Stock Brokers, Trading Members, RTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Designated Stock Exchange/ DSE	BSE Limited
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms (including Application Forms by UPI Investors under the UPI Mechanism). The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of the Stock Exchange and updated from time to time
DP/Depository Participant	A depository participant as defined under the Depositories Act
Direct Online Application	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
Draft Prospectus	This Draft Prospectus dated March 28, 2025 filed with the Designated Stock Exchange and with SEBI for receiving public comments, in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations.
Existing Secured Creditors	Bajaj Finance Ltd, Bandhan bank, Bank of Baroda, Bank of Maharashtra, Canara Bank, Catholic Syrian Bank, City Union Bank, DCB, Dhanlaxmi Bank, Equitas Small Finance Bank, HDFC Bank, IDBI Bank Limited, IDFC First Bank, Indian Bank, Indian Overseas Bank, Indusind Bank, Karnataka Bank, Karur Vysya Bank, Punjab and Sind Bank, Punjab National Bank, South Indian Bank, State Bank Of India, UCO Bank, Union Bank Of India, Utkarsh Small Finance Bank, Yes Bank, Tata Capital Financial Services Limited, Hinduja Leyland Finance Limited, Vistra ITCL India Limited, Mitcon Credentia Trusteeship Services Limited, The Federal Bank Limited, Woori Bank, Ujjivan Small Finance Bank, Poonawalla Fincorp, Oxyzo Financial Services Limited, Standard Chartered Bank and Kerala Financial Corporation.
Fugitive Economic Offender	Fugitive economic offender means an individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Interest Payment Date/ Coupon Payment Date	As specified in "*Issue Structure – Specific Terms of the NCDs*" on page 240 and "*Annexure I – Day Count Convention"* on page 310.
Institutional Portion	Portion of Applications received from Category I of persons eligible to apply for the Issue which includes resident public financial institutions as defined under Section 2(72) of the Companies Act 2013, statutory corporations including state industrial development corporations, scheduled commercial banks, co-operative banks and regional rural banks, and multilateral and bilateral development financial institutions, which are authorised to invest in the NCDs, provident funds of minimum corpus of ₹ 2,500 lakh, pension funds of minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity fund, which are authorised to invest in the NCDs, resident venture capital funds and/or alternative investment funds registered with SEBI, insurance companies registered with the IRDAI, national investment fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India), insurance funds set up and managed by the Indian army, navy or the air force of the Union of India or by the Department of Posts, India, mutual funds registered with SEBI and Systemically Important NBFC registered with RBI and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements.
Issue	Public issue of NCDs by our Company amounting up to ₹ 10,000 lakh, with an option to retain over-subscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000 lakh, on the terms and in the manner set forth herein.
Issue Agreement	The Issue Agreement to be entered between the Company and the Lead Manager to the

Term	Description
	Issue.
Issue Closing Date	As specified in the Prospectus
Issue Opening Date	As specified in the Prospectus
Issue Size	Public issue of NCDs by our Company amounting up to ₹ 10,000 lakh, with an option to retain over-subscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000 lakh.
Lead Manager	Vivro Financial Services Private Limited
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchange in connection with the listing of debt securities of our Company
Market Lot	1 (one) NCD
Mobile App(s)	The mobile applications listed on the website of Stock Exchanges as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
Maturity Amount	In respect of NCDs Allotted to NCD Holders, the repayment of the face value of the NCD along with interest that may have accrued as on the redemption date
Maturity Date or Redemption Date	As specified in "*Issue Structure – Specific Terms of the NCDs*" on page 240 and "*Annexure I – Day Count Convention"* on page 310.
NCD Holder/Debenture Holder	Any debenture holder who holds the NCDs issued pursuant to this Issue and whose name appears on the beneficial owners list provided by the Depositories
Non-Institutional Portion	Category II of persons eligible to apply for the Issue which includes companies falling within the meaning of Section 2(20) of the Companies Act 2013; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs, educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment; which are authorised to invest in the NCDs, trust including public/private charitable/religious trusts which are authorised to invest in the NCDs, association of persons, scientific and/or industrial research organisations, which are authorised to invest in the NCDs, partnership firms in the name of the partners, limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009), resident Indian individuals and Hindu undivided families through the Karta aggregating to a value exceeding ₹5 lakh
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
Offer Document	This Draft Prospectus, the Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any, read with any notices, corrigenda and addenda thereto
Prospectus	The Prospectus to be filed with the RoC in accordance with the SEBI NCS Regulations, containing inter alia the Coupon Rate for the NCDs and certain other information.
Public Issue Account	Account(s) opened with the Public Issue Account Bank to receive monies from the ASBA Accounts maintained with the SCSBs (including under the UPI Mechanism) on the Designated Date
Public Issue Account Bank	Banks which are clearing members and registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, with whom the Public Issue Account will be opened.
Public Issue Account and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Registrar to the Issue, the Lead Manager, the Public Issue Account Bank, the Sponsor Bank for collection of the Application Amounts from ASBA Accounts under the UPI Mechanism and the Refund Bank for collection of the Application Amounts from ASBA Accounts and where applicable remitting refunds, if any, to such Applicants, on the terms and conditions thereof.
Retail Individual Investors	Resident Indian individuals or HUFs applying through the Karta, for NCDs for an amount aggregating up to and including ₹5 Lakh, across all Series of NCDs in Issue including bids received from UPI mechanism.
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be.

Term	Description
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount shall be made and as specified in the Prospectus.
Refund Bank	As specified in the Prospectus
Registrar to the Issue/ Registrar	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)
Registrar Agreement	Agreement dated March 24, 2025 entered into between the Issuer and the Registrar under the terms of which the Registrar has agreed to act as the Registrar to the Issue.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulation, 1992 and the stock exchange having nationwide terminals, other than the Members of the Syndicate and eligible to procure Applications from Applicants
Register of NCD Holders	The statutory register in connection with any NCDs which are held in physical form on account of rematerialisation, containing name and prescribed details of the relevant NCD Holders, which will be prepared and maintained by our Company/Registrar in terms of the applicable provisions of the Companies Act
Retail Investor Portion	Portion of Applications received from Category III of persons eligible to apply for the Issue which includes resident Indian individuals and Hindu undivided families through the Karta aggregating to a value not exceeding and including ₹5 lakh
RTAs/ Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Application in the Issue at the Designated RTA Locations
SCSBs or Self Certified Syndicate Banks	The banks registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 offering services in relation to ASBA, including blocking of an ASBA Account and a list of which is available on https://www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time. Additionally, the banks registered with SEBI, enabled for UPI Mechanism, list of which is available on https://www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time. A list of the branches of the SCSBs where ASBA Applications submitted to the Lead Manager, Members of the Syndicate or the Trading Member(s) of the Stock Exchange, will be forwarded by such Lead Manager, Members of the Syndicate or the Trading Members of the Stock Exchange is available at https://www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time
Security	The principal amount of the NCDs to be issued in terms of this Draft Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first ranking *pari passu* charge with the Existing Secured Creditors on all current assets, including book debts and receivables, cash and bank balances, loans and advances both present and future of our Company (not including reserves created in accordance with law, receivables of micro finance of the Company, fixed deposits and cash collateral over which exclusive charge is created), such that a security cover to the extent of 1 (one) time of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the redemption of NCDs.
Specified Locations	Collection centres where the Members of the Syndicate shall accept Application Forms, a list of which is included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Requests and/or payment instructions of the UPI Investors into the UPI and carry out any other responsibilities, in terms of the SEBI Master Circular.
Stock Exchange	BSE Limited
Syndicate Agreement	Syndicate Agreement to be entered between the Company and Syndicate Member as specified in the Prospectus
Syndicate ASBA	Applications through the Designated Intermediaries
Syndicate ASBA Application Locations	Collection centres where the Designated Intermediaries shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in and at such other websites as may be prescribed by SEBI from time to time

Term	Description
Syndicate Member	As specified in the Prospectus
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on https://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Tenor	As specified in "*Issue Structure – Specific Terms of the NCDs*" on page 240 and "*Annexure I – Day Count Convention"* on page 310.
Trading Member(s)	Individuals or companies registered with SEBI as "trading member(s)" under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992, and who hold the right to trade in stocks listed on stock exchanges, through which Investors can buy or sell securities listed on stock exchanges whose list is available on stock exchanges
Transaction Registration Slip/TRS	The acknowledgement slips or document issued by any of the Members of the Syndicate, the SCSBs, or the Trading Members as the case may be, to an Applicant upon demand as proof of upload of the Application on the application platform of the Stock Exchange
Tripartite Agreement(s)	Agreements as entered into between the Issuer, Registrar and each of the Depositories under the terms of which the Depositories shall act as depositories for the securities issued by our Company
Trustee/ Debenture Trustee	Trustee for the holders of the NCDs, in this case being MITCON Credentia Trusteeship Services Limited
UPI	Unified Payments Interface, is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing and merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank account
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Investor	An Applicant who applies with a UPI number whose Application Amount for NCDs in the Issue is up to ₹5,00,000
UPI Mandate Request	A request (intimating the UPI Investors, by way of a notification on the UPI application and by way of an SMS directing the UPI Investors to such UPI application) to the UPI Investors using the UPI Mechanism initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Application Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The optional bidding mechanism that may be used by UPI Investors to make Applications in the Issue, in accordance with SEBI Master Circular and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	A person who is categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes an issuer whose director or promoter is categorised as such
Working Days	All days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in Mumbai. Furthermore, for the purpose of post issue period, i.e., period beginning from the Issue Closing Date to listing of the NCDs on the Stock Exchange, Working Day shall mean all trading days of the Stock Exchange, excluding Saturday, Sundays and bank holidays in Kochi/ Mumbai, as per the SEBI NCS Regulations, however, with reference to payment of interest/redemption amount of NCDs, Working Days shall mean those days wherein the money market is functioning in Kochi/Mumbai.

Business/Industry Related Terms

Term	Description
AFCs	Asset Finance Companies
ALM	Asset Liability Management
ALCO	Asset Liability Committee
CAD	Current Account Deficit
CIC	Core Investment Companies
CIC-ND-SI	Systemically Important Core Investment Company
CPs	Commercial Papers

Term	Description
CRAR	Capital-To-Risk-Weighted Assets Ratio
DMs	Developed Markets
EMI	Equated Monthly Instalments
Ems	Emerging Markets
ETF	Exchange-Traded Fund
FIR	First Information Report
FOMC	Federal Open Market Committee
GDP	Gross Domestic Product
Gross Spread	Yield on the average minus the cost of funds
GDS	Gold Deposit Scheme
GFCE	Government Final Consumption Expenditure
GFCF	Gross Fixed Capital Formation
GLP	Gross Loan Portfolio
GMS	Gold Monetisation Scheme
GVA	Gross Value Added
HFC	Housing Finance Company
IBE	International Bullion Exchange
Ics	Investment Companies
ICCs	Investment and Credit Companies
IDF – NBFC	Infrastructure Debt Funds – NBFCs
IFCs	Infrastructure Finance Companies
IFSCA	International Financial Services Centres Authority
IMF	International Monetary Fund
Ind AS	Indian Accounting Standards
IGPC	India Gold Policy Centre
IIP	Index of Industrial Production
KYC/KYC Norms	Customer identification procedure for opening of accounts and monitoring transactions of suspicious nature followed by NBFCs for the purpose of reporting it to appropriate authority
LCs	Loan Companies
LTV	Loan to value
Master Directions	RBI's Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated October 19, 2023, as amended
MFIs	Micro Finance Institutions
MFIN	Microfinance Institutions Network
MSMEs	Micro, Small and Medium Enterprises
MT	Million Tonnes
NAV	Net Asset Value
NBFC	Non-Banking Financial Company as defined under Section 45-IA of the RBI Act, 1934
NBFC-AA	NBFC-Account Aggregator
NBFC-BL/ NBFC – Base Layer	Non-deposit taking NBFCs below the asset size of ₹ 1,00,000 lakh and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface
NBFC-D	NBFC registered as a deposit accepting NBFC
NBFC-ML/ NBFC – Middle Layer	(a) all deposit taking NBFCs (NBFC-Ds), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1,00,000 lakh and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs), (ii) Infrastructure Debt Fund – Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFC
NBFC-ND	NBFC registered as a non-deposit accepting NBFC
NBFC-MFIs	Non-banking financial company-microfinance institutions
NBFC-AA	NBFC-Account Aggregator
NBFIs	Non-banking Financial Institutions
NBFC-P2P	NBFC–Peer to Peer Lending Platform
NBFC-TL	NBFC-UL which in the opinion of RBI has substantial increase in the potential systemic

Term	Description
	risk
NBFC-UL	NBFCs which are specifically identified by the RBI as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology as provided in SBR
NOF	Net Owned Fund
NPCI	National Payments Corporation of India
NPA	Non-Performing Assets
NOFHC	NBFC-Non-Operative Financial Holding Company
OGL	Online Gold Loans
PFCE	Private Final Consumption Expenditure
PMI	Purchasing Managers Index
PPP	Purchasing Power Parity
PSL	Priority Sector Lending
PMJDY	Pradhan Mantri Jan Dhan Yojana
Public Issue 1	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹19,559 lakh pursuant to the prospectus dated February 12, 2014
Public Issue 2	Public issue of secured and unsecured non-convertible debentures of face value ₹1,000 each aggregating to ₹24,963 lakh pursuant to the prospectus dated July 7, 2014
Public Issue 3	Public issue of secured and unsecured non-convertible debentures of face value ₹1,000 each aggregating to ₹26,913 lakh pursuant to the prospectus dated September 23, 2014
Public Issue 4	Public issue of secured and unsecured non-convertible debentures of face value ₹1,000 each aggregating to ₹24,909 lakh pursuant to the prospectus dated February 18, 2015
Public Issue 5	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹22,827 lakh pursuant to the prospectus dated July 10, 2015
Public Issue 6	Public issue of secured and unsecured non-convertible debentures of face value ₹1,000 each aggregating to ₹24,401 lakh pursuant to the prospectus dated December 21, 2015
Public Issue 7	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹11,672 lakh pursuant to the prospectus dated March 12, 2019
Public Issue 8	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹13,203 lakh pursuant to the prospectus dated July 29, 2019
Public Issue 9	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹17,593 lakh pursuant to the prospectus dated January 14, 2020
Public Issue 10	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹19,791 lakh pursuant to the prospectus dated May 29, 2020
Public Issue 11	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹14,971 lakh pursuant to the prospectus dated September 7, 2020
Public Issue 12	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹14,253 lakh pursuant to the prospectus dated November 2, 2020
Public Issue 13	Public issue of secured and unsecured non-convertible debentures of face value ₹1,000 each aggregating to ₹21,644 lakh pursuant to the prospectus dated January 11, 2021
Public Issue 14	Public issue of secured and unsecured non-convertible debentures of face value ₹1,000 each aggregating to ₹13,405 lakh pursuant to the prospectus dated March 25, 2021.
Public Issue 15	Public issue of secured and unsecured non-convertible debentures of face value ₹1,000 each aggregating to ₹23,358 lakh pursuant to the prospectus dated August 13, 2021.
Public Issue 16	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹17,086 lakh pursuant to the prospectus dated November 29, 2021.
Public Issue 17	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹24,326.63 lakh pursuant to the prospectus dated April 18, 2022.
Public Issue 18	Public issue of secured non-convertible debentures of face value ₹1,000 each aggregating to ₹ 11,459.86 lakh pursuant to the prospectus dated October 23, 2024.
R-GDS	Revamped Gold Deposit Scheme
R-GML	Revamped Gold Metal Loan Scheme
SBR Framework	Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs (as amended)
SFBs	Small finance banks
SME	Small and medium enterprises
SROs	Self-Regulatory Organizations
Tier I Capital	Tier I capital means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances

Term	Description
	including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking non-banking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
Tier II Capital	Tier II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of fifty five percent; (c) General Provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; and (f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent the aggregate does not exceed Tier I Capital
TAT	Turnaround Time
WGC	World Gold Council

Conventional and General Terms or Abbreviations

Term	Description
AGM	Annual General Meeting
Asset Under Management / AUM	AUM represents aggregate value of outstanding loans before adjustment of provisions for NPA in accordance with Ind AS or Indian GAAP, as applicable
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CGST Act	Central Goods and Services Tax Act, 2017
Cr.P.C	Code of Criminal Procedure, 1973
Companies Act, 1956	The erstwhile Companies Act, 1956
Companies Act/ Companies Act 2013	The Companies Act, 2013 read with rules framed by the Government of India from time to time
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DRR	Debenture Redemption Reserve
EGM	Extraordinary General Meeting
EPS	Earnings per share
FDI Policy	The Government policy, rules and the regulations (including the applicable provisions of the FEMA Non-Debt Rules) issued by the Government of India prevailing on that date in relation to foreign investments in our Company's sector of business as amended from time to time
FEMA	Foreign Exchange Management Act, 1999
FEMA Non-Debt Regulations	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Debt Regulations	Foreign Exchange Management (Debt Instrument) Regulations, 2019
FPI	Foreign Portfolio Investors defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
Financial Year/FY/Fiscal	Financial year ending March 31
GDP	Gross Domestic Product
GoI	Government of India
G-Sec	Government Securities
GST	Goods and Services Tax
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST Act	Integrated Goods and Services Tax Act, 2017

Term	Description
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
Insurance Act	The Insurance Act, 1938
IT Act	The Income Tax Act, 1961
IT	Information Technology
ISD	International Subscriber Dialling
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
MIS	Management Information System
MoU	Memorandum of Understanding
NA	Not Applicable
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NII(s)	Non-Institutional Investor(s)
NIM	Net Interest Margin
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
OCI	Overseas Citizenship of India
PAN	Permanent Account Number
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RIBs	Retail Individual Bidder(s)
RM	Relationship Manager
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI NCS Regulations/ NCS Regulations/ SEBI Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time.
SEBI Delisting Regulations	SEBI (Delisting of Equity Shares) Regulations, 2021
SEBI Listing Regulations/ Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Debenture Trustee Master Circular	SEBI circular with reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024, as may be amended from time to time.
SEBI Master Circular	SEBI circular with reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/1192024/54 dated May 22, 2024, as amended from time to time.
SGST Act	State Goods and Services Tax Act, 2017, as enacted by various state governments
STD	Subscriber Trunk Dialling
TDS	Tax Deducted at Source
VOIP	Voice Over Internet Protocol
WDM	Wholesale Debt Market

Notwithstanding anything contained herein, capitalised terms that have been defined in the chapters titled "*Capital Structure*", "*History and Certain Other Corporate Matters*", "*Our Management*", "*Financial Statements*", "*Financial Indebtedness*", "*Issue Procedure*", "*Outstanding Litigations*", "*Key Regulations and Policies*", and "*Summary of Main Provisions of the Articles of Association*" and on pages 46, 118, 121, 135, 137, 260, 175, 224 and 292 respectively will have the meanings ascribed to them in such chapters.

PRESENTATION OF FINANCIAL, INDUSTRY AND OTHER INFORMATION

General Risk

Investment in debt securities involves a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it.

Specific attention of investors is invited to statement of risk factors contained under section "*Risk Factors*" on page 16. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities or investor's decision to purchase such securities.

Certain Conventions

In this Draft Prospectus, unless the context otherwise indicates or implies references to "you," "offeree," "purchaser," "subscriber," "recipient," "investors" and "potential investor" are to the prospective Investors to this Issue, references to "our Company", the "Company" or the "Issuer" or "MMFL" are to Muthoottu Mini Financiers Limited.

Unless otherwise stated, references in this Draft Prospectus to a particular year are to the calendar year ended on December 31 and to a particular "fiscal" or "financial year" are to the financial year ended on March 31.

All references to "India" are to the Republic of India and its territories and possessions, and the "Government", the "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Financial Data

Our Company publishes its financial statements in Rupees.

The Limited Review Unaudited Financial Results for the nine months period ended December 31, 2024 has been prepared by the Company and reviewed by our Statutory Auditor, Mohandas & Associates, Chartered Accountants, in accordance with Ind AS notified under the Companies Act, 2013 and other applicable statutory and / or regulatory requirements, as applicable.

The Company's Audited Financial Statements for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022 have been prepared by the Company and audited by our Previous Statutory Auditor, Ramdas & Venugopal, Chartered Accountants, in accordance with Ind As notified under the Companies Act, 2013 and other applicable statutory and / or regulatory requirements.

The Limited Review Unaudited Financial Results and Audited Financial Statements as included in this Draft Prospectus, in the chapter titled *"Financial Statements"* on page 135.

Unless stated otherwise, the financial data in this Draft Prospectus is derived from the Limited Review Unaudited Financial Results and Audited Financial Statements of the Company.

In this Draft Prospectus, any discrepancies in any table, including "*Capital Structure*" and "*Objects of the Issue*" between the total and the sum of the amounts listed are due to rounding off. All the decimals have been rounded off to two decimal places.

Currency and units of Presentation

In this Draft Prospectus, all references to 'Rupees'/'Rs.'/'INR'/'₹' are to Indian Rupees, the legal currency of the Republic of India.

Except where stated otherwise in this Draft Prospectus, all figures have been expressed in 'lakh'. All references to 'lakh/lakh' mean 'one hundred thousand' and 'crore' means 'ten million' and 'billion/bn./billions' means 'one hundred crore'.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained from industry publications and publicly available information. Industry publications and publicly available information generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Certain information and statistics in relation to the industry in which we operate, which has been included in this Draft Prospectus has been extracted from an industry report titled "Gold Loan Industry in India", dated March 13, 2025, prepared and issued by Fitch Solutions India Advisory Private Limited ("**FSIAPL Report**"). Please refer to "*Industry Overview*" on page 63 for further details.

Following is the disclaimer of Fitch Solutions India Advisory Private Limited in relation to the FSIAPL Report:

This report is prepared by Fitch Solutions India Advisory Private Limited (erstwhile IRR Advisory Services Private Limited). FSIAPL has taken utmost care to ensure accuracy and objectivity while developing this report. This report is for the information of the intended recipients only and no part of this report may be published or reproduced in any form or manner without prior written permission of FSIAPL.

Exchange Rates

The exchange rates Rupees (₹) vis-à-vis of USD, as of December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, are provided below:

Currency	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	85.62	83.37	82.22	75.81

Source: *https://www.fbil.org.in/#/home* and *https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx*

The above exchange rates are for the purpose of information only and may not represent the rates used by the Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.

FORWARD LOOKING STATEMENTS

This Draft Prospectus contains certain statements that are not statements of historical fact and are in the nature of "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "continue", "expect", "estimate", "intend", "objective", "plan", "potential", "project", "will", "will continue", "will pursue", "will likely result", "will seek to", "seek" or other words or phrases of similar import. All statements regarding our expected financial condition and results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability and other matters discussed in this Draft Prospectus that are not historical facts.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results, performance or achievements to differ materially from those contemplated by the relevant statement.

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to our businesses and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry.

Important factors that could cause actual results to differ materially from our expectations include, but not limited to, the following:

1. We are subject to an inspection by the RBI and any adverse action taken could affect our business and operations;

2. We are subject to certain legal proceedings and any adverse decision in such proceedings may have a material adverse effect on our business and results of operations;

3. We do not own the trademark we have been authorised to use it by one of our Group Companies. Termination or withdrawal on unfavourable terms of this authorisation to use or any negative impact on the 'Muthoottu Mini' brand may adversely affect our business, reputation, goodwill, financial condition and results of operations;

4. We may not be able to adequately protect our intellectual property rights.

5. Our business is capital intensive and any disruption or restrictions in raising financial resources would have a material adverse effect on our liquidity and financial condition.

6. We have had negative cash flows in the past. Any negative cash flows in the future could adversely affect our results of operations and financial condition.

7. Our financial performance is primarily dependent on interest rate risk. If we are unable to manage interest rate risk in the future it could have an adverse effect on our net interest margin, thereby adversely affecting business and financial condition of our Company.

8. Changes in interest rates may affect the price of our NCDs which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

9. You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay in recovering the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

10. There is no assurance that the NCDs issued pursuant to this Issue will be listed on BSE Limited in a timely manner, or at all.

Other factors discussed in this Draft Prospectus, including under the chapter titled "*Risk Factors*" on page 16.

For further discussion of factors that could cause our actual results to differ from our expectations, please refer to the chapters "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 16, 63 and 96, respectively.

By their nature, certain market risk disclosures are only estimate and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward looking statements speak only as on the date of this Draft Prospectus. The forward-looking statements contained in this Draft Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure Investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. Neither our Company nor the Lead Manager, nor its Directors, the KMPs or any of its affiliates have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Lead Manager will ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

The following are some of the important factors that could cause actual results to differ materially from the Company's expectations:

An investment in NCDs involves a certain degree of risk. You should carefully consider all the information contained in this Draft Prospectus, including the risks and uncertainties described below, and the information provided in the sections titled "*Our Business*" on page 96 and "*Financial Statements*" on page 135 before making an investment decision. The following are the risks envisaged by the management of the Company relating to the Company, the NCDs and the market in general. Potential investors should carefully consider all the risk factors stated in this Draft Prospectus in relation to the NCDs for evaluating the Company and its business and the NCDs before making any investment decision relating to the NCDs. The Company believes that the factors described below represents the principal risks inherent in investing in the NCDs but does not represent that the statements below regarding the risks of holding the NCDs are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Potential investors should also read the detailed information set out elsewhere in this Draft Prospectus and reach their own views prior to making any investment decision. The market prices of the NCDs could decline due to such risks and you may lose all or part of your investment including interest thereon.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's NCDs could decline and/or the Company's ability to meet its obligations in respect of the NCDs could be affected. More than one risk factor may have simultaneous affect with regard to the NCDs such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the NCDs and/or the Company's ability to meet its obligations in respect of the NCDs.

These risks and uncertainties are not the only issues that the Company faces. These risk factors are determined on the basis of their materiality. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have a material adverse effect on its financial condition or business. Unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with the Limited Review Unaudited Financial Results and Audited Financial Statements.

Internal Risk Factors

1. *We are subject to an inspection by the RBI and any adverse action taken could affect our business and operations.*

We are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change in the future which may require us to restructure our activities, incur additional cost or could otherwise adversely affect our business and our financial performance. Through the Master Directions, RBI has amended the regulatory framework governing NBFCs to address concerns pertaining to risks, regulatory gaps and arbitrage arising from differential regulations and aims to harmonise and simplify regulations to facilitate a smoother compliance culture among NBFCs.

Even though the RBI, has not provided for any restriction on interest rates that can be charged by non-deposit taking NBFCs, there can be no assurance that the RBI and/or the Government will not implement regulations or policies, including policies or regulations or legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that could have an adverse effect on non-deposit taking NBFCs. In addition, there can be no assurance that any changes in the laws and regulations relative to the Indian financial services industry will not adversely impact our business.

During the course of finalization of inspection, regulatory authorities share their findings and recommendations with us and give us an opportunity to provide justification and clarifications. Further, such regulatory authorities also

seek certain clarifications and share their findings in the ordinary course of business. We respond to observations made by such authorities and address them appropriately; however, we cannot assure you that these authorities will not find any deficiencies in future inspections or otherwise/ the authorities will not make similar or other observations in the future.

In the event we are unable to resolve such deficiencies to the satisfaction of the RBI, we may be restricted in our ability to conduct our business as we currently do. While we seek to comply with all regulatory provisions applicable to us, in the event we are unable to comply with the observations made by the regulatory authorities, we could be subject to penalties and restrictions which may have an adverse effect on our business, results of operations, financial condition and reputation.

2. *We are subject to certain legal proceedings and any adverse decision in such proceedings may have a material adverse effect on our business and results of operations.*

We are subject to certain legal proceedings including civil suits, statutory and regulatory proceedings, recovery proceedings etc. We incur cost in defending these proceedings before a court of law. Moreover, we are unable to assure you that we shall be successful in any or all of these actions. In the event we suffer any adverse order, our reputation may suffer and may have an adverse impact on our business and results of operations. Further, our Company has initiated certain criminal proceeding against few of our employees and third parties in relation to our business operations.

Our Company and our Group Companies are party to legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and statutory, regulatory and other judicial authorities in India, and, if determined against us, could adversely affect our business, results of operations and financial condition. We can give no assurance that these legal proceedings will be decided in our favour or that no further liability may arise from these claims in the future.

Should any new developments arise, such as any change in applicable Indian law or any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities, which could adversely affect our results of operations.

A summary of the outstanding proceedings involving our Company, Directors, Promoter and Group Companies in accordance with requirements under the SEBI NCS Regulations, as disclosed in this Draft Prospectus, to the extent quantifiable, have been set out below:

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigations	Aggregate amount involved (₹ in lakh)
Company						
By the Company	8	0	0	0	1	180.48
Against the Company	0	10	1	0	4	2,340.77
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies						
By the Group Companies	1	Nil	Nil	Nil	Nil	Nil
Against the Group Companies	1	1	Nil	Nil	Nil	10.19

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigations	Aggregate amount involved (₹ in lakh)
Subsidiaries						
By the Subsidiaries	Not Applicable					
Against the Subsidiaries						

For, further details of the legal proceedings that we are subject to, please refer to the chapter titled "Outstanding Litigations" on page 175.

3. ***We do not own the trademark*** ***we have been authorised to use it by one of our Group Companies. Termination or withdrawal on unfavourable terms of this authorisation to use or any negative impact on the 'Muthoottu Mini' brand may adversely affect our business, reputation, goodwill, financial condition and results of operations.***

The trademark is registered with the Registrar of Trademarks in India in the name of one of our Group Companies, Mini Muthoottu Nidhi (Kerala) Limited with validity till April 30, 2029. We had been authorised to use this trademark on a non-exclusive, non-assignable basis by way of letter dated May 2, 2009 which was revalidated by a letter dated July 30, 2020 ("Letter") We cannot assure you that we will continue to have uninterrupted use of this trademark if we are unable to conform to the requirements under the Letter. Further, termination or withdrawal of the permission may adversely affect our business, reputation, goodwill, financial condition and results of operations. Further, some of the intellectual property are subject to litigations. For further details of the legal proceedings that we are subject to, please refer to the chapter titled "*Outstanding Litigations*" on page 175.

Further, some of the other companies, wherein our Promoters are interested, also use this trademark. If any of the actions of our Promoters or companies in which they hold any interest negatively affect our brand, our reputation, business and financial condition may in turn be adversely affected. Additionally, the logo of our Company, as appearing on the cover page of this Draft Prospectus, has not been registered and we cannot assure you that misuse of the same by any third party shall not be detrimental to our business.

4. ***We may not be able to adequately protect our intellectual property rights.***

Our ability to compete effectively depends in part upon protection of our intellectual property rights. On August 11, 2021, we made an application for registration of our trademark "MUTHOOTTU MINI FINANCIERS", with the Registrar of Trade Marks, under class 36 of the Trade Marks Act, 1999. We have received notice of objection to our application and a suit has been filed against our trademark before District Court, Kottayam. Please refer to section titled *'Outstanding Litigation - Material Civil cases involving our Company – Against our Company'* on page 175.

There are no assurances that we will be able to register this mark. In the event we are not able to obtain registrations due to any injunctive or other adverse order issued against us by the relevant authorities in respect of the registration of our logo or slogan, we may not be able to avail legal protections under the trade mark or prevent unauthorised use of such trademarks by third parties, and in case the logo or slogan is used or claimed by a third party, our ability to use such logo or slogan may be restricted or lost, which may adversely affect our goodwill or business.

5. ***Our business is capital intensive and any disruption or restrictions in raising financial resources would have a material adverse effect on our liquidity and financial condition.***

Our liquidity and ongoing profitability are largely dependent upon our timely access to and the costs associated in, raising financial resources at low costs. Our funding requirements historically have been met from a combination of borrowings such as term loans, working capital limits from banks / financial institutions, issuance of secured and unsecured redeemable non-convertible debentures, commercial papers and subordinated debts. Thus, our business depends and will continue to depend on our ability to access diversified low-cost funding sources.

Our ability to raise funds on acceptable terms and at competitive rates depend on various factors like credit ratings, the regulatory environment and policy initiatives in India, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and our

current and future results of operations and financial condition.

During the times of global financial crisis 2007-2008, the capital and lending markets typically become highly volatile and access to liquidity becomes significantly reduced. In addition, it may become more difficult to renew loans and facilities as many potential lenders and counterparties could also face liquidity and capital concerns, as a result of the stress in the financial markets. If any event of a similar nature and magnitude occurs again in the future, such as the recent liquidity crisis caused on account of debt default by one of the large Indian NBFCs, it may result in increased borrowing costs and difficulty in accessing debt in a cost-effective manner. Moreover, we are a non-deposit taking NBFC-Middle Layer, and do not have access to public deposits.

The RBI vide the Master Directions issued certain guidelines with respect to raising money through private placement by NBFCs in the form of non-convertible debentures. These guidelines include (i) restrictions on the minimum subscription amount for a single investor at ₹20,000; (ii) the issuance of private placement of non-convertible debentures shall be in two separate categories, those with a maximum subscription of less than ₹1 crore and those with a minimum subscription of ₹1 crore per investor; (iii) the restriction of number of investors in an issue to 200 investors for every financial year for a maximum subscription of less than ₹1 crore which shall be fully secured; (iv) there is no limit on the number of subscribers in respect of issuances with a minimum subscription of ₹1 crore and above while the option to create security in favour of subscribers will be with the issuers and such unsecured debentures shall not be treated as public deposits; (v) restriction on NBFCs for issuing debentures only for deployment of funds on its own balance sheet and not to facilitate resource requests of group entities/parent company/associates; and (vi) prohibition on providing loan against its own debentures. This has resulted in limiting our Company's ability to raise fresh debentures on private placement basis.

A significant portion of our debt matures each year. Out of the total amount of our outstanding non-convertible debentures (excluding interest thereon), ₹ 1,12,995.63 lakh issued by our Company as of December 31, 2024, non-convertible debentures amounting to ₹ 37,750.08 lakh will mature during the next 12 months. In order to retire these instruments, we either will need to refinance this debt, which could be difficult in the event of volatility in the credit markets or raise equity capital or generate sufficient cash to retire the debt.

Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. As an NBFC, we also face certain restrictions on our ability to raise money from international markets, which may further constrain our ability to raise funds at attractive rates.

Any disruption in our primary funding sources at competitive costs could have a material adverse effect on our liquidity and financial condition.

6. *We have had negative cash flows in the past. Any negative cash flows in the future could adversely affect our results of operations and financial condition.*

We have had negative cash flows for operating and investing activities in the past on account of high growth in loans and advances and may have negative cash flows in the future. If we experience any cash outflow in the future, this could adversely affect our business prospects, financial condition, and results of operations. For further information, see the section titled "*Our Business - Key Operational and Financial indicators of our Company*" on page 97.

(₹ in lakh)

Particulars	December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash from / used in(-) operating activities	(23,931.37)	(29,859.67)	(85,396.35)	(53,839.54)
Net cash from / used in(-) investing activities	(999.65)	(1,520.49)	(1,520.20)	(64.40)
Net cash from / used in (-)financing activities	25,632.57	37,635.91	55,397.54	66,387.97
Cash and Cash Equivalents at the end of period/year	10,971.02	10,269.47	4,013.72	35,532.73

While we have negative cash flows from operating and investing activities for aforementioned period, we believe we had and will continue to have sufficient liquidity to meet our short term and long-term business obligations along with allocating sufficient capital towards growth of our business operations.

7. ***Our financial performance is primarily dependent on interest rate risk. If we are unable to manage interest rate risk in the future it could have an adverse effect on our net interest margin, thereby adversely affecting business and financial condition of our Company.***

Our results of operations are substantially dependent upon the level of our net interest margins. Interest income is the largest component of our total income, and constituted 97.70%, 97.22%, 98.00% and 98.23% of our total income for the nine-month period ended on December 31, 2024, and for the Fiscals 2024, 2023 and 2022, respectively. Interest rates are sensitive to many factors beyond our control, including the RBI's monetary policies, domestic and international economic and political conditions and other factors.

Over the years, the Government of India has substantially deregulated the financial sector. As a result, interest rates are now primarily determined by the market, which has increased the interest rate risk exposure of all banks and financial intermediaries in India, including us.

Our policy is to attempt to balance the proportion of the interest earning assets (which bear fixed interest rates), with interest bearing liabilities. A significant portion of our liabilities, such as our non-convertible debentures carry fixed rates of interest and the remaining are linked to the respective banks' benchmark prime lending rate/base rate. As of nine-month period ended on December 31, 2024, 46.92% of our borrowings were at fixed rates of interest. Moreover, we do not hedge our exposure to interest rate changes. We cannot assure you that we can adequately manage our interest rate risk in the future or can effectively balance the proportion of our fixed rate loan assets and liabilities. Further, changes in interest rates could affect the interest rates charged on interest earning assets and the interest rates paid on interest bearing liabilities in different ways. Thus, our results of operations could be affected by changes in interest rates and the timing of any re pricing of our liabilities compared with the re pricing of our assets.

Any mismatch between the yield on assets and the cost of our funds due to market action/factors could have an impact on our profitability.

8. ***Our Company has high debt equity ratio and any further increase in borrowings may have a material adverse effect on our business, financial condition and results of operations.***

Our Company has raised funds from a combination of borrowings such as working capital limits and term loans from banks and issuance of secured redeemable non-convertible debentures on private placement basis, secured redeemable non-convertible debentures by way of public issue, subordinated debts and commercial papers. We are subject to the RBI's guidelines on financial regulation of NBFCs, including leverage ratio, capital adequacy, exposure and other prudential norms. As per the prudential norms, the leverage ratio of NBFCs (except NBFC-MFIs, NBFCs-ML and above) shall not be more than 7 at any point of time. Though our Company is an NBFC-ML and not required to maintain the said leverage ratio, however, our debt equity ratio was 5.10 times and 4.93 times as on March 31, 2024 and for the nine months period ended December 31, 2024, respectively. While this strategic choice has facilitated our ability to undertake various initiatives improving the top lines and bottom lines, it also introduces certain financial considerations. We will continue to monitor and evaluate our capital structure to ensure we maintain a healthy balance between debt and equity financing. For further information, refer section 'Our Business – Statement of Capitalisation (Debt to Equity Ratio)' on page 100.

9. ***We face increasing competition in our business which may result in declining interest margins. If we are unable to compete successfully, our market share may also decline.***

Our principal business is providing gold loan to customers in India secured by gold jewellery. Historically, the gold loan industry in India has been largely unorganised and dominated by local jewellery pawn shops and money lenders, with little involvement from public sector or private sector banks. Gold loan financing was availed predominantly by lower income group customers with limited or no access to other forms of credit, however, such income group has gained increased access to capital through organised and unorganised money lenders, which has increased our exposure to competition. The demand for gold loans has also increased due to relatively lower and affordable interest rates, increased need for urgent borrowing or bridge financing requirements, the need for liquidity for assets held in gold and increased awareness and acceptance of gold loan financing.

There is increased competition from other lenders in the gold loan industry, including commercial banks and other NBFCs, who also have access to funding from customers' in the form of savings and current deposits. We rely on higher cost loans and debentures for our funding requirements, which could reduce our margins. Our ability to compete effectively will depend on our ability to raise low cost funding. If we are unable to compete effectively with other participants in the gold loan industry, our business, financial condition and results of operations may be

adversely affected.

The competition in the gold loan industry has increased in gold loans are becoming increasingly standardised. Variable interest rates, variable payment terms and waiver of processing fees are also becoming increasingly common.

In our microfinance business, we face competition from other NBFCs, microfinance companies as well as both commercial and small finance banks. In addition, the RBI has set out guidelines applicable to microfinance institutions which restrict the number of microfinance institutions that can extend loans to the same borrower and also limit the maximum amount of loan that can be extended. The presence of microfinance institutions in India is not uniform and certain regions have a concentration of a large number of microfinance institutions while there are regions which have very few and even no microfinance institution presence. In any particular region, the level of competition depends on the number of microfinance institutions that operate in such area. In addition, our target customers also borrow from money lenders and non-institutional lenders which may lend at higher rates of interest.

Our ability to compete effectively will depend, to an extent, on our ability to raise low-cost funding in the future as well as our ability to maintain or decrease our operating expenses by increasing operational efficiencies and managing credit costs. As a result of increased competition in the various sectors we operate in, products in our industry have become increasingly standardised and variable interest rate and payment terms and lower processing fees are becoming increasingly common across our products. There can be no assurance that we will be able to effectively address these or other finance industry trends or compete effectively with new and existing commercial banks, NBFCs, payment banks, other small finance banks and other financial intermediaries that operate across our various financing products.

In addition, the government has issued schemes such as Pradhan Mantri Jan-Dhan Yojana to ensure access to financial services in an affordable manner. Further, public sector banks as well as existing private sector banks, have an extensive customer and depositor base, larger branch networks, and in case of public sector banks, Government support for capital augmentation, due to which they may enjoy corresponding economies of scale and greater access to low-cost capital, and accordingly, we may not be able to compete with them. An inability to effectively address such competition may adversely affect our market share, business prospects, results of operations and financial condition.

10. ***We are not in compliance with the RBI Master Directions – Information Technology Framework for the NBFC Sector.***

Our Company being an NBFC is required to comply with RBI's master direction bearing reference no. DNBS.PPD. No.04/66.15.001/2016-17 dated June 8, 2017, issued the IT framework for the NBFCs ("Framework"). In its annual review in the past, RBI had observed certain non-compliance by our Company with the requirements of the Framework. Based on the RBI Gap Reports, the Company management and IT team together worked out a detailed strategy and implementation plan to fill the GAPs and mitigate any risks. In addition, further audits were conducted by the Company using external vendors to assess the progress of this GAP implementation. However, we cannot assure you that there will be no future observations by RBI during their review under the Framework.

11. ***We were in receipt of an email from BSE levying a fine for a delayed compliance with a provision of the SEBI Listing Regulations. Any future instances of a delay in compliance with the requirements of SEBI Listing Regulations may lead to adverse actions being taken against our Company.***

Our Company is a debt listed entity and has to comply with listing requirements as prescribed under SEBI Listing Regulations, accordingly our Company is subject to supervision by stock exchange(s) and SEBI. There has been certain instances of non-compliances in past under SEBI Listing Regulations which fines imposed under such non-compliances have been paid by the Company. Please refer to section titled "*Outstanding Litigations - Inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last three years immediately preceding the year of issue of this Draft Prospectus against our Company (whether pending or not); fines imposed or compounding of offences done by our Company in the last three years immediately preceding the year of this Draft Prospectus*" on page 180.

While we endeavour to comply with all applicable laws, we cannot give any positive assurance that we will not be subjected to similar fines in future and any future instances of non-compliance or delayed compliances could result in an adverse action being taken against our Company and could have a material adverse impact on our Company's business and reputation.

12. ***Volatility in the market price of gold may adversely affect our financial condition, cash flows and results of operations.***

We extend loans secured mostly by gold jewellery. A sustained decrease in the market price of gold could cause a corresponding decrease in new Gold Loans in our loan portfolio and, as a result, our interest income. In addition, customers may not repay their loans and the gold jewellery securing the loans may have decreased significantly in value, resulting in losses which we may not be able to support. The impact on our financial position and results of operations of a hypothetical decrease in gold values cannot be reasonably estimated because the market and competitive response to changes in gold values is not pre-determinable.

13. ***Our ability to lend against the collateral of gold jewellery has been restricted on account of guidelines issued by RBI, which may have a negative impact on our business and results of operation.***

RBI vide the SBR Master Directions has stipulated all NBFCs to maintain an LTV ratio not exceeding 75% for loans granted against the collateral of gold jewellery and further prohibits lending against bullion/primary gold and gold coins. This will limit our ability to provide loan on the collateral of gold jewellery and thereby putting us at a disadvantage vis-à-vis unregulated money lenders offering similar products. Further, RBI in the Master Directions, has mandated NBFCs primarily engaged in lending against gold jewellery (such loans comprising 50% or more of their financial assets) to maintain a minimum Tier I Capital of 12%. Such restrictions imposed by RBI may erode our margins, impact our growth and business prospects.

RBI in the SBR Master Directions further tightened the norms for lending against the security of gold ornaments by pegging the maximum lendable value to preceding 30 day's average of the closing price of 22 carat gold as per the rate as quoted by the Bombay Bullion Association. Any such future restrictions by RBI could have a negative impact on our business and results of operation.

14. ***We may not be able to successfully sustain our growth strategy. Inability to effectively manage our growth and related issues could materially and adversely affect our business and impact our future financial performance.***

Our growth strategy includes growing our AUM, expanding network of branches and expanding the range of products and services. We cannot assure you that we will be able to execute our growth strategy successfully or continue to achieve or grow at the levels of revenue earned in recent years, or that we will be able to expand further our AUM. Furthermore, there may not be sufficient demand for our services, or they may not generate sufficient revenues relative to the costs associated with offering such services. Even if we were able to introduce new services successfully, there can be no assurance that we will be able to achieve our intended return on such investments. If we grow our AUM too rapidly or fail to make proper assessments of credit risks associated with borrowers, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our financial condition.

Further principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. It also includes undertaking permission from various authorities, including RBI and various regulatory compliances. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure.

15. ***Certain of our records including in relation to share transfer to one of our Promoters/Directors are not traceable.***

Certain of our records in relation to filings under Companies Act and Board resolution related to the details of transfer of Equity Shares made to Mathew Muthoottu, one of our Promoters/Directors, are not traceable. Further, we have been unable to trace copies of the transfer deeds for such transfer of Equity Shares. We have relied on the records and registers available with the Company to provide the build-up of the Equity Shareholding of Mathew Muthoottu in our Company. While we continue to conduct a search for such records, we cannot assure you that such records will be available in the future or that we will not be subject to penalties which may be imposed by the RoC in this regard. We cannot assure you that such delays may not occur in the future, which may affect our results of operations and business prospects.

16. ***If we are not able to control the level of non-performing assets in our portfolio, the overall quality of our loan portfolio may deteriorate, and our results of operations may be adversely affected.***

We may not be successful in our efforts to improve collections and/or enforce the security interest on the gold collateral on existing as well as future non-performing assets. Moreover, as our loan portfolio increases, we may experience greater defaults in principal and/or interest repayments. Thus, if we are not able to control our level of non-performing assets, the overall quality of our loan portfolio may deteriorate, and our results of operations may be adversely affected.

Our gross NPAs for the nine-month period ended on December 31, 2024, for the Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022, was ₹ 4,643.61 lakh, ₹ 3,114.32 lakh, ₹ 1,399.81 lakh and ₹ 1,526.35 lakh, respectively.

The SBR Master Directions prescribe the provisioning required in respect of our outstanding loan portfolio. Should the overall credit quality of our loan portfolio deteriorate, the current level of our provisions may not be adequate to cover further increases in the amount of our non-performing assets. Furthermore, although we believe that our total provision will be adequate to cover all known losses in our asset portfolio, our current provisions may not be adequate when compared to the loan portfolios of other financial institutions. Moreover, there also can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of gross non-performing assets or otherwise, or that the percentage of non-performing assets that we will be able to recover will be similar to our past experience of recoveries of non-performing assets. In the event of any further increase in our non-performing asset portfolio, there could be an even greater, adverse impact on our results of operations.

17. ***We may not be able to realise the full value of our pledged gold jewellery in case of a default, which exposes us to a potential loss.***

We may not be able to realise the full value of our pledged gold, due to, among other things, defects in the quality of gold or wastage that may occur when melting gold jewellery into gold bars. We have in place an extensive internal policy on determining the quality of gold prior to disbursement of the gold loan. However, we cannot assure that methods followed by us are full proof and the impurity levels in the gold can be accurately assessed.

In the case of a default, amongst others we may auction the pledged gold in accordance with our auction policy. We cannot assure you that we will be able to auction such pledged gold jewellery at prices sufficient to cover the amounts under default. Moreover, there may be delays associated with the auction process or other processes undertaken by us to recover the amount due to us. Any such failure to recover the expected value of pledged gold could expose us to a potential loss and which could adversely affect our financial condition and results of operations.

18. ***Our indebtedness, the conditions and restrictions imposed by our financing agreements could restrict our ability to conduct our business and operations in the manner we desire.***

As of December 31, 2024, we had an outstanding debt (excluding interest on bank borrowings and interest on debentures) of ₹ 3,65,375.89 lakh. We may incur additional indebtedness in the future. Many of our financing agreements include various restrictive conditions and covenants restricting certain corporate actions, and our Company is required to take the prior approval of the lender before carrying out such activities. For instance, our Company, inter alia, is required to obtain the prior written consent in the following instances:

- to declare and/or pay dividend to any of its shareholders whether equity or preference, during any financial year unless our Company has paid to the lender the dues payable by our Company in that year;
- to undertake or permit any merger, amalgamation or compromise with its shareholders, creditors or effect any scheme of amalgamation or reconstruction or disposal of whole of the undertaking;
- to create or permit any charges or lien, sell or dispose of any encumbered assets;
- to alter its capital structure, or otherwise acquire any share capital;
- to effect a change of ownership or control, or management of our Company;
- to enter into long term contractual obligations directly affecting the financial position of our Company;
- to borrow or obtain credit facilities from any bank or financial institution;
- to undertake any guarantee obligations on behalf of any other company;
- to make any share capital investments or advance loans or funds to any other concern including group companies;
- to repay dues of promoter/group companies;

- to undertake any new project/further expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the bank from time to time and approved by the bank;
- to sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the banks; and
- any change of practice with regard to remuneration of the directors.

Our indebtedness could have several important consequences, including our cash flows being used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund our working capital, capital expenditures and other general corporate requirements. Moreover, our ability to obtain additional financing or renewal of existing facilities, in the future at reasonable terms may be restricted or our cost of borrowings may increase due to sudden adverse market conditions, including decreased availability of credit or fluctuations in interest rates, particularly because a significant proportion of our financing arrangement are in the form of borrowings from banks. There could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements and we may be more vulnerable to economic downturns, which may limit our ability to withstand competitive pressures and may reduce our flexibility in responding to changing business, regulatory and economic conditions.

19. ***A major part of our branch network is concentrated in southern India and any disruption or downturn in the economy of the region would adversely affect our operations.***

As of December 31, 2024, 97.07% of our branches i.e., 894 branches were located in the southern states of Andhra Pradesh, Telangana, Goa, Karnataka, Kerala and Tamil Nadu and the union territory of Puducherry and these constituted about 96.17% of our total gold loan portfolio as of December 31, 2024. For details, please refer to "*Our Business*" on page 96. As a result, we are exposed to risks including any change in policies relating to these states, any localised social unrest, any natural disaster and any event or development which could make business in such states less economically beneficial. Further, any disruption, disturbance or breakdown in these states could adversely affect the result of our business and operations. Our concentration in these southern states of India exposes us to adverse economic or political circumstances that may arise in that region as compared to other NBFCs and commercial banks that may have diversified national presence and may have an adverse effect on our business, market share and results of operations.

20. ***We may also face potential liquidity risks due to mismatches in the maturity of our assets and liabilities. Such mismatches, where the financial terms of an institution's assets and liabilities do not match, are a key financial parameter for us. As is typical for a company in the business of lending, a portion of our funding requirements is met through short and long-term funding sources such as bank loans, non-convertible debentures, etc. We may be unable to obtain additional credit facilities or renew our existing credit facilities for matching the tenure of our liabilities in a timely and cost-effective manner or at all, may lead to mismatches between our assets and liabilities leading to an increase in liquidity risk, which in turn may adversely affect our operations and financial performance.***

We may also face potential liquidity risks due to mismatches in the maturity of our assets and liabilities. Such mismatches, where the financial terms of an institution's assets and liabilities do not match, are a key financial parameter for us. As is typical for a company in the business of lending, a portion of our funding requirements is met through short and long-term funding sources such as bank loans, non-convertible debentures, etc. We may be unable to obtain additional credit facilities or renew our existing credit facilities for matching the tenure of our liabilities in a timely and cost-effective manner or at all, may lead to mismatches between our assets and liabilities leading to an increase in liquidity risk, which in turn may adversely affect our operations and financial performance.

The following table describes the ALM of our Company as on December 31, 2024:

(₹ in lakh, except percentages)

Sr. No.	A. Outflows	Residual Maturity										
		0 to 7 days	**8 to 14 days**	**Over 14 days to one month**	**Over one month to 2 months**	**Over 2 months to 3 months**	**Over 3 Months up to 6 months**	**Over 6 Months up to 1 year**	**Over 1 year up to 3 years**	**Over 3 years up to 5 years**	**Over 5 years**	**Total**
1	Capital	-	-	-	-	-	-	-	-	-	25,032.54	**25,032.54**

(₹ in lakh, except percentages)

Sr. No.	A. Outflows	Residual Maturity										
		0 to 7 days	**8 to 14 days**	**Over 14 days to one month**	**Over one month to 2 months**	**Over 2 months to 3 months**	**Over 3 Months up to 6 months**	**Over 6 Months up to 1 year**	**Over 1 year up to 3 years**	**Over 3 years up to 5 years**	**Over 5 years**	**Total**
2	Reserves & surplus	-	-	-	-	-	-	-	-	-	52,435.83	52,435.83
3	Bonds and Notes	-	-	-	-	-	-	-	-	-	-	-
4	Deposits	-	-	-	-	-	-	-	-	-	-	-
5	Borrowings	7,905.29	556.10	3,985.95	8,152.54	21,070.67	25,163.09	1,44,876.53	1,19,188.48	31,679.67	3,113.97	**3,65,692.29**
6	Current Liabilities & Provisions	753.22	140.90	438.31			766.15	5,594.84	10,292.97	4,559.97	84.55	**22,630.91**
7	Statutory Dues	-	-	367.73	-	-	-	-	-	-	-	**367.73**
8	Unclaimed Deposits	-	-	-	-	-	-	-	-	-	-	-
9	Any Other Unclaimed Amount	279.53	-	-	-	-	-	-	-	-	-	**279.53**
10	Other Outflows	54.38	54.38	108.76	217.53	217.53	652.58	1,305.17		-	-	**2,610.33**
11	Outflows On Account of Off Balance Sheet (OBS) Exposure	-	-	-	-	-	-	-	-	-	-	-
A.	TOTAL OUTFLOWS	**8,992.42**	**751.38**	**4,900.75**	**8,370.07**	**21,288.20**	**26,581.82**	**1,51,776.54**	**1,29,481.45**	**36,239.64**	**80,666.89**	**4,69,049.16**
B.	Cumulative Outflows	**8,992.42**	**9,743.80**	**14,644.55**	**23,014.62**	**44,302.82**	**70,884.64**	**2,22,661.18**	**3,52,142.63**	**3,88,382.27**	**4,69,049.16**	**4,69,049.16**
C.	Inflows											-
1	Cash & Balances with banks	608.64	-	-	-	-	-	-	-	-	-	**608.64**
2	Remittance in Transit	-	-	-	-	-	-	-	-	-	-	-
3	Balances With Banks	10,278.49	-	-	-	-	-	41,321.95	7,034.69	259.21	-	**58,894.34**
4	Investments (net of provisions)	-	-	-	-	-	-	-	-	-	989.56	**989.56**
5	Advances (performing)	2,499.04	2,068.26	6,410.37	12,189.60	23,225.68	69,238.97	2,37,352.21	23,837.12	93.22	61.40	**3,76,975.87**
6	Non-Performing Loans (Net of Provisions)	-	-	-	-	1,578.83	-	-	-	-	3,060.55	**4,639.38**
7	Inflows From Assets On Lease	-	-	-	-	-	-	-	-	-	-	-
8	Fixed assets	-	-	-	-	-	-	-	-	-	20,134.73	**20,134.73**

(₹ in lakh, except percentages)

Sr. No.	A. Outflows	Residual Maturity										
		0 to 7 days	**8 to 14 days**	**Over 14 days to one month**	**Over one month to 2 months**	**Over 2 months to 3 months**	**Over 3 Months up to 6 months**	**Over 6 Months up to 1 year**	**Over 1 year up to 3 years**	**Over 3 years up to 5 years**	**Over 5 years**	**Total**
9	Other assets	75.44	75.44	150.88	301.75	301.75	905.26	809.44	1,958.95	-	2,227.73	**6,806.64**
10	Security Finance Transactions	-	-	-	-	-	-	-	-	-	-	-
11	Inflows on Account of Off Balance Sheet (OBS) Exposure	-	-	-	-	-	-	-	-	-	-	-
C.	TOTAL INFLOWS	**13,461.61**	**2,143.70**	**6,561.25**	**12,491.35**	**25,106.26**	**70,144.23**	**2,79,483.60**	**32,830.76**	**352.43**	**26,473.97**	**4,69,049.16**
D.	MISMATCH (C 0 A)	4,469.19	1,392.32	1,660.50	4,121.28	3,818.06	43,562.41	1,27,707.06	(96,650.69)	(35,887.21)	(54,192.92)	-
E.	Mismatch as % to outflows (D as % to A)	**49.70**	**185.30**	**33.88**	**49.24**	**17.94**	**163.88**	**84.14**	**(74.64)**	**(99.03)**	**(67.18)**	-
F.	CUMULATIVE MISMATCH	4,469.19	5,861.51	7,522.01	11,643.29	15,461.35	59,023.76	1,86,730.82	90,080.13	54,192.92	-	-
G.	Cumulative Mismatch as % to Cumulative Outflows (F as % to B)	**49.70**	**60.16**	**51.36**	**50.59**	**34.90**	**83.27**	**83.86**	**25.58**	**13.95**	-	-

21. ***Our bank funding is concentrated amongst 32 lenders and impairment of our relationship with any, or all, of such lenders or our inability to secure additional loans and renewal of existing facilities on favourable terms from such lenders in the future, may have a material adverse effect on our business, results of operations and financial condition.***

As on December 31, 2024, we have availed term loans and working capital demand loans from banks and financial institutions, of amount ₹ 3,01,994.00 lakh. We may have difficulty in obtaining funding on acceptable terms from these or other lenders and other sources which we have not accessed so far. Any impairment of our relationship with any, or all, of our lenders or our inability to secure additional loans and renewal of existing facilities on favourable terms from such lenders in future may have a material adverse effect on our business, results of operations and financial condition.

22. ***Our gold loans are of tenors not exceeding 1 year, and a failure to disburse new loans may result in a reduction of AUM and a corresponding interest income would decline.***

The gold loans we offer are short term loans and are due within one year of disbursement typically ranging from three to nine months. The relatively short term nature of our loans means that we are not assured of long term interest income streams compared to businesses that offer loans with longer terms. In addition, our existing customers may not obtain new loans from us upon maturity of their existing loans, particularly if competition increases. The short term nature of our loan products and the potential instability of our interest income could materially and adversely affect our results of operations and financial position.

23. ***Inaccurate appraisal of gold by our personnel may adversely affect our business and financial condition.***

Accurate appraisal of pledged gold is a significant factor in the successful operation of our business and such appraisal requires a skilled and reliable workforce. Assessing gold jewellery quickly is a specialised skill that requires assessing jewellery for gold content and quality manually without damaging the jewellery. Our Company provides training for our personnel for assessing jewellery for gold content and quality. However, in spite of rigorous training there is no guarantee that the gold ornaments appraised are accurately. Inaccurate appraisal of gold content, by our workforce may result in the gold ornament being overvalued and pledged for a loan that is higher in value than the actual value of gold content, which could adversely affect our reputation and business. We also run the risk of spurious gold being incorrectly assessed and approved for disbursement. Further, we are subject to the risk of inaccurate or fraudulent estimation of the value of pledged gold by our gold appraisers. Any such inaccuracies or fraud in relation to our appraisal of gold may adversely affect our reputation, business and financial condition.

24. ***We depend on customer supplied information when evaluating customer credit worthiness.***

In deciding whether to extend credit or enter into other transactions with customers and counter parties, we may rely on information furnished to us by or on behalf of our customers, including the financial information from which we create our credit assessments. We may also rely on customer representations as to the accuracy and completeness of customer supplied information. Any relevant changes in this information may not be made available to us. The information that we have gathered may not be sufficient to create a complete customer risk profile. Because we rely on such customer supplied information, some or all of certain customers' risk profiles may be wilfully or inadvertently wrong or misleading, which may lead us to enter into transactions that may adversely affect our financial condition and results of operations.

25. ***The implementation of our KYC norms as well as our measures to prevent money laundering may not be completely effective, which could adversely affect our reputation and in turn have an adverse impact on our business and results of operations.***

Our implementation of anti-money laundering measures required by the RBI, including KYC policies and the adoption of anti-money laundering and compliance procedures in all our branches, may not be completely effective. There can be no assurance that certain of our customers will not indulge in money laundering activities advertently misusing our business channels. If we were identified to be associated with money laundering operations, our reputation may be adversely affected, which in turn could have an adverse impact on our business and results of operations.

26. ***This Draft Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.***

This Draft Prospectus includes certain unaudited financial information, which has been subjected to limited review by our Statutory Auditor, in relation to our Company. This Draft Prospectus includes Limited Review Unaudited Financial Results for the nine months period ended December 31, 2024. As the limited review financial information prepared by the Company in accordance with Regulation 52 of the SEBI LODR Regulations have been subject only to a limited review and as described in Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the ICAI. Any reliance by prospective investors on such limited review financial information for the nine months period ended December 31, 2024 should, accordingly, be limited. Any financial results published in the future may not be consistent with past performance. Accordingly, prospective investors should rely on their independent examination of our financial position and results of operations, and should not place undue reliance on, or base their investment decision solely on the financial information included in this Draft Prospectus

27. ***Our customer base comprises entirely of individual borrowers, who generally are more likely to be affected by declining economic conditions than large corporate borrowers. Any decline in the repayment capabilities of our borrowers, may result in increase in defaults, thereby adversely affecting our business and financial condition.***

Individual borrowers typically are less financially resilient than larger corporate borrowers, and as a result, they are typically more adversely affected by declining economic conditions. In addition, a significant majority of our customer base belongs to the low to medium income group. Furthermore, unlike many developed economies, a nationwide credit bureau has only recently become operational in India, so there is less financial information available about individuals, particularly our focus customer segment of the low to medium income group. It is therefore difficult to carry out precise credit risk analyses on our customers. While we follow certain procedures to

evaluate the credit profile of our customers before we sanction a loan, we generally rely on the quality of the pledged gold rather than on a stringent analysis of the credit profile of our customers. Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to maintain sufficient credit assessment policies, particularly for individual borrowers, could adversely affect our loan portfolio, which could in turn have an adverse effect on our financial condition and results of operations.

28. *Our Company is in receipt of a letter dated April 29, 2021 from the Registrar of Companies, Kerala & Lakshadweep ("RoC") in relation to an inspection proposed to be conducted. Any adverse findings by the RoC in this regard, could have a detrimental impact on the reputation of our Company, our Promoters and Directors.*

Our Company received a letter dated April 29, 2021 from the RoC ("**Letter**"), in relation to an inspection proposed to be conducted under Section 206(5) of the Companies Act ("**Inspection**"). In this regard the Central Government has appointed the RoC, along with Deputy Official Liquidator, Kerala and the Regional Director, Ministry of Corporate Affairs (SR), Chennai as inspector to carry out the Inspection ("**Inspector**").The Inspector vide Letter has sought certain information and documents, *inter alia* audited financial statements for last five years, Memorandum of Association, Articles of Association, and shareholding pattern from our Company. Our Company, vide its letter dated May 14, 2021, has submitted that owing to State-wide lockdown effective from May 8, 2021 to May 16, 2021 and the travel restrictions imposed by the Kerala Government to contain COVID 19, the Company was unable to physically submit the information and documents required. Further, our Company vide its letter dated June 11, 2021 has submitted all the documents and certain information mentioned in the Letter. The Company further received letter dated September 23, 2021 from RoC, proposing visit of the inspecting officer who visited the Company on October 6, 2021. The inspecting officer perused records and also took extracts of minutes and other ROC filed documents. The Inspector in his report dated September 30, 2022 sought para-wise replies to the alleged violation of certain provisions of Companies Act, 2013, inter alia including sections 73, 135(5), 71(4), 134(6) etc. The Company has submitted its responses to the alleged non-compliances.

In the event, the Inspector, during the course of the Inspection, finding adversely against our Company or any of our promoters or directors, such findings could have a detrimental impact on the reputation of our Company, and that of our Promoters and Directors.

29. *Our inability to open new branches at correct locations may adversely affect our business.*

Our business is dependent on our ability to service and support our customers from proximate locations and thereby giving our customers easy access to our services. Further, it is vital for us to be present in key locations for sourcing business as we depend on these branches to earn revenue. Thus, any inability on our part to open new branches at correct locations may adversely affect our business and results of operations.

30. *Our branches are vulnerable to theft and burglary. While we are insured against the risk of burglary arising from our business, such insurance may not be sufficient to fully cover the losses we suffer, and this may result in adverse effect on our financial condition and results of operations.*

Storage of pledged gold jewellery as part of our business entails the risk of theft/burglary and resulting loss to our reputation and business. The short tenure of the loans advanced by us and our practice of processing loan repayments within short timelines require us to store pledged gold on our premises at all points in time. Some of our branches have had instances of burglaries in the past. With regard to all cases of theft/burglaries, we may not be able to recover the entire amount of the loss suffered and may receive only a partial payment of the insurance claim. While we are insured against the risk of burglary arising from our business, such insurance may not be sufficient to fully cover the losses we suffer. Further, the actual recovery of the insured amount from the insurer requires the undertaking of certain procedures, and any delay in recovery could adversely affect our reputation and results of operation.

31. *We are subject to the risk of fraud by our employees and customers. Our lending operations involve significant amounts of cash collection which may be susceptible to loss or misappropriation or fraud by our employees. Specifically, employees operating in remote areas may be susceptible to criminal elements which may adversely affect our business, operations and ability to recruit and retain employees.*

We are exposed to the risk of fraud and other misconduct by employees and customers. While we carefully recruit all of our employees and screen all our employees who are responsible for disbursement of gold loans and custody of gold, there could be instances of fraud with respect to gold loans and cash related misappropriation by our

employees. We are required to report cases of internal fraud to the RBI, which may take appropriate action. We have also filed police complaints alleging fraud and misappropriation of gold by our employees in the past. We cannot guarantee you that such acts of fraud will not be committed in the future, and any such occurrence of fraud would adversely affect our reputation, business and results of operations.

Our lending and collection operations involve handling of significant amounts of cash, including collections of instalment repayments in cash which is the norm in the finance industry. Large amounts of cash collection expose us to the risk of loss, fraud, misappropriation or unauthorised transactions by our employees responsible for dealing with such cash collections. While we obtain insurance, coverage including fidelity coverage and coverage for cash in safes and in transit and undertake various measures to detect and prevent any unauthorised transactions, fraud or misappropriation by our employees, these measures may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our business operations and financial condition. In addition, we may be subject to regulatory or other proceedings in connection with any such unauthorised transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance.

Further, our employees operating in remote areas may be particularly susceptible to criminal elements as they are involved in cash collection and transportation due to lack of local banking facilities. In the event of any such adverse incident our ability to continue our operations in such areas will be adversely affected and our employee recruitment and retention efforts may be affected, thereby affecting our expansion plans. In addition, if we determine that certain areas of India pose a significantly higher risk of crime or political strife and instability, our ability to operate in such areas will be adversely affected.

32. ***We are subject to the risk of unknowingly receiving stolen goods as collateral from customers which may result in loss of collateral for the loan disbursed.***

We have a policy in place to satisfy ownership of the gold jewellery and have taken adequate steps to ensure that the KYC guidelines stipulated by RBI are followed and due diligence of the customer is undertaken prior to the disbursement of loans. However, in the event that we unknowingly receive stolen goods as collateral from a customer, the goods can be seized by authorities. Once seized by the authorities, gold items will be stored in court storage facilities without a surety arrangement. No recourse is generally available to our Company in the event of such seizure, except the recovery of the loss from the customer. Any seizure of the gold ornaments by the authorities shall result in us losing the collateral for the loan disbursed and could adversely affect our reputation, business and results of operations.

33. ***Our insurance may not be adequate to protect us against all potential losses to which we may be subjected to and if we were to incur a significant liability for which we were not fully insured, it could adversely affect our business, results of operations and financial conditions.***

We maintain insurance cover for risks *inter alia* including material damage, burglary, house breaking, premises, transit and fidelity. Our Company has *inter alia* sum insured of ₹ 15,279.00 lakh for material damage, burglary and house breaking and ₹ 3,500.00 lakh for premises, ₹ 5,000.00 lakh for transit and ₹ 100.00 lakh for fidelity. We have an overall loss exposure of ₹ 6,00,000.00 lakh, while we exercise due care in taking out adequate cover, given the nature of fluctuating gold prices and other uncontrollable circumstances, the amount of our insurance coverage may be less than the replacement cost of all covered property and may not be sufficient to cover all financial losses that we may suffer should a risk materialise. There are many events that could significantly affect our operations, or expose us to third party liabilities, for which we may not be adequately insured. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our business, results of operations and financial condition.

34. ***We may experience difficulties in expanding our business into additional geographical markets in India, which may adversely affect our business prospects, financial conditions and results of operations.***

While the gold loans markets in the south Indian states of Kerala, Tamil Nadu, Karnataka, Andhra Pradesh and Telangana remains and is expected to remain our primary strategic focus, we also evaluate attractive growth opportunities in other regions in India and have expanded our operations in the northern and western states of India. We may not be able to leverage our experience in the states that we are present in to expand our operations in other regions, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, customer attitude, sentimental attachments towards gold jewellery, behaviour and preferences in these cities where we may plan to expand our operations may differ from those in south Indian states

of Kerala, Tamil Nadu, Andhra Pradesh, Telangana and Karnataka and our experience in these states of Kerala, Tamil Nadu, Andhra Pradesh, Telangana and Karnataka may not provide us with benefits in other geographies. In addition, as we enter new markets and geographical areas, we are likely to compete not only with other large banks and financial institutions in the gold loan business, but also the local unorganised or semi-organised lenders, who are more familiar with local conditions, business practices and customs, have stronger relationships with customers and may have a more established brand name within local communities.

If we plan to further expand our geographical footprint, our business may be exposed to various additional challenges, including obtaining necessary governmental approvals, identifying and collaborating with local business partners with whom we may have no previous working relationship; successfully gauging market conditions in new markets; attracting potential customers; being susceptible to local laws in new geographical areas of India; and adapting our marketing strategy and operations to suit regions where different languages are spoken. Our inability to expand our current operations in additional geographical markets may adversely affect our growth, business prospects, financial conditions and results of operations.

35. ***System failures or inadequacy and security breaches in computer systems may adversely affect our operations and result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation.***

We are vulnerable to risks arising from the failure of employees to adhere to approved procedures, failures of security systems, computer system disruptions, communication systems failure and data interception during transmission through external communication channels and networks. Failure to prevent or detect such breaches in security or data and communications errors may adversely affect our operations.

Despite our internal controls, policies and procedures, certain matters such as fraud and embezzlement cannot be eliminated entirely given the cash nature of our business. If we fail to maintain and continue to enhance our internal controls, policies and systems, we may be unable to prevent fraud, security breaches or system failures.

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services. If any of these systems do not operate properly or are disabled, or if there are other shortcomings or failures in our internal processes or systems, financial loss, disruption of our business, regulatory intervention or damage to our reputation may result. In addition, our ability to conduct business may be adversely affected by a disruption in the infrastructure that supports our businesses and the localities in which we are located. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Constant connectivity between our branches across India and our Corporate Office is key to the functioning of our business. Each of our branches accesses the corporate data centre through the Internet, and all data is stored centrally in the corporate data centre. Our disaster recovery system is fully operational, and we continue to engage in technical exercises to test and improve our disaster plan.

36. ***Our ability to access capital also depends on our credit ratings. Any downgrade in our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, would negatively affect our net interest margin and our business.***

The cost and availability of capital is also dependent on our short term and long term credit ratings. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement of financing arrangements. For details regarding ratings received by our Company, please refer to "*Our Business- Our Borrowings and Credit Ratings*" on page 115 and for the credit rating letter and rating rationale for NCDs proposed to be issued under this Issue refer to "Annexure II" on page 311.

37. ***We are subjected to supervision and regulation by the RBI as a NBFC-ML, and changes in RBI's regulations governing us could adversely affect our business.***

As a NBFC- ML, we are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change which may restrict the availment of credit facilities from such banks in the future and which may require us to restructure our activities, incur additional cost or could

otherwise adversely affect our business and our financial performance. Through the Master Directions and SBR Framework, RBI has amended the regulatory framework governing NBFCs to address concerns pertaining to risks, regulatory gaps and arbitrage arising from differential regulations and aims to harmonise and simplify regulations to facilitate a smoother compliance culture among NBFCs.

Even though the RBI, has not provided for any restriction on interest rates that can be charged by non-deposit taking NBFCs, there can be no assurance that the RBI and/or the Government will not implement regulations or policies, including policies or regulations or legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that could have an adverse effect on non-deposit taking NBFCs. In addition, there can be no assurance that any changes in the laws and regulations relative to the Indian financial services industry will not adversely impact our business.

38. ***Any decline in our Company's capital ratio or capital adequacy requirement could restrict our future business growth.***

As a NBFC-ML, we are regulated by the RBI and are subject to certain capital to risk weighted adequacy ratio (CRAR). The minimum capital requirement or capital to risk weighted adequacy ratio (CRAR) required to be maintained by us, as well as the respective capital to risk weighted adequacy ratio (CRAR) of us for the nine months period ended period December 31, 2024 and financial year ended as on March 31, 2024 are as follows:

Category	Minimum capital requirement to risk weighted assets ratio	Capital to risk weighted adequacy ratio (CRAR)	
		December 31, 2024	March 31, 2024
NBFC-ML	15%	23.53%	23.86%

39. ***We may be subject to regulations in respect of provisioning for non-performing assets. If such provisions are not sufficient to provide adequate cover for loan losses that may occur, this could have an adverse effect on our financial condition, liquidity and results of operations.***

RBI guidelines prescribe the provisioning required in respect of our outstanding loan portfolio. These provisioning requirements may require us to reserve lower amounts than the provisioning requirements applicable to financial institutions and banks in other countries. The provisioning requirements may also require the exercise of subjective judgments of management. The RBI vide the Master Directions provides for the regulatory framework governing NBFCs pertaining to provisioning for standard assets. The requirement to make a provision for standard assets over a period of three years, i.e., 0.30% by the end of March 2016, 0.35% by the end of March 2017 and 0.40% by the end of March 2018 and thereafter, of the outstanding.

There are multiple factors that affect the level of NPAs in our Company. Prominent among them are fall in value of gold, increase in the LTV ratio for gold loan etc.

The level of our provisions may not be adequate to cover further increases in the amount of our nonperforming assets or a decrease in the value of the underlying gold collateral. If such provisions are not sufficient to provide adequate cover for loan losses that may occur, or if we are required to increase our provisions, this could have an adverse effect on our financial condition, liquidity and results of operations and may require us to raise additional capital.

40. ***Microfinance loans are unsecured and are susceptible to certain operational and credit risks which may result in increased levels of NPAs.***

As of December 31, 2024, our microfinance AUM was ₹ 29,618.21 lakh, representing 7.76% of our aggregate AUM as of such date. Our microfinance customers typically belong to the economically weaker sections and are diverse in nature, which include customers involved in income generating business activities, with limited sources of income, savings and credit records, and are therefore unable to provide us with any collateral or security for their loans. Such customers are at times unable to or may not provide us with accurate information about themselves which is required by us in connection with loans.

In our microfinance business, we rely on non-traditional guarantee mechanisms rather than any tangible assets as security collateral. Our microfinance business involves a joint liability mechanism whereby borrowers form a joint liability group and provide guarantees for loans obtained by each member of such group. There can however be no assurance that such joint liability arrangements will ensure repayment by the other members of the joint liability

group in the event of default by any one of them. Such joint liability arrangements are likely to fail if there is no meaningful personal relationship or bond among members of such group, if inadequate risk management procedures have been employed to verify the group members and their ability to repay such loans, or as a result of adverse external factors such as natural calamities and forced migration.

As a result, our micro finance customers potentially present a higher risk of loss in case of a credit default compared to that of customers in other asset-backed financing products. In addition, repayment of microfinance loans are susceptible to various political and social risks, including any adverse publicity relating to the microfinance sector accessing capital markets, public criticism of the microfinance sector, the introduction of a stringent regulatory regime, and/or religious beliefs relating to loans and interest payments, which adversely affect repayment by our customers and may have a material and adverse effect on our business prospects and future financial performance.

There can be no assurance that we will be able to maintain our current levels of NPAs. In addition, it is difficult to accurately predict credit losses, and there can be no assurance that our monitoring and risk management procedures will succeed in effectively predicting such losses or that our loan loss reserves will be sufficient to cover any such actual losses. As a result of the uncertain financial and social circumstances of our microfinance customers and the higher risks associated with lending to such customers, we may experience increased levels of NPAs and we may be required to make related provisions and write-offs that could have a material and adverse effect on our business prospects and financial performance.

41. ***Our microfinance business involves transactions with relatively high-risk borrowers that typically do not have access to formal banking channels, and high levels of customer defaults could adversely affect our business, results of operations and financial condition.***

Our microfinance business involves lending money to smaller, relatively low-income women entrepreneurs who have limited access or no access to formal banking channels, and therefore may not have any credit history and as a result we are more vulnerable to customer default risks including default or delay in repayment of principal or interest on our loans.

Some of our customers, especially the first-time borrowers, may not have any documented credit history, may have limited formal education, and are able to furnish very limited information for us to be able to assess their creditworthiness accurately. Consequently, we may not have past data on the customer's borrowing behaviour. In addition, we may not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation on the part of our customers. It is therefore difficult to carry out credit risk analysis on our clients. Although we believe that our risk management controls are stringently applied, there can be no assurance that they will be sufficient or that additional risk management strategies for our customers will not be required.

Further, our customers may default on their obligations as a result of various factors including bankruptcy, lack of liquidity and / or failure of the business or commercial venture in relation to which such borrowings were sanctioned. Although our microfinance business operates through a system of joint liability, we may still be exposed to defaults in payment, which we may not be able to recover in full. If our borrowers fail to repay loans in a timely manner or at all, our financial condition and results of operations will be adversely impacted.

42. ***Our ability to borrow from various banks may be restricted on account of guidelines issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs. Any limitation on our ability to borrow from such banks may increase our cost of borrowing, which could adversely impact our growth, business and financial condition.***

Under RBI Master Circular DBR.BP.BC.No.5/21.04.172/2015-16 on bank finance to NBFCs issued on July 1, 2015, the exposure (both lending and investment, including off balance sheet exposures) of a bank to a single NBFC engaged in lending against collateral of gold jewellery (i.e., such loans comprising 50% or more of its financial assets) should not exceed 7.5% of its capital funds. Banks may, however, assume exposures on a single NBFC up to 12.5% of their capital funds, provided the exposure in excess of 7.5% is on account of funds on-lent by the NBFC to the infrastructure sector. Further, banks may also consider fixing internal limits for their aggregate exposure to all NBFCs put together and should include internal sub-limit to all NBFCs providing Gold Loans (i.e., such loans comprising 50% or more of their financial assets), including us. This limits the exposure that banks may have on NBFCs such as us, which may restrict our ability to borrow from such banks and may increase our cost of borrowing, which could adversely impact our growth, business and financial condition.

43. ***Attrition rate in our business is quite high and in order to be successful, we must attract, retain and motivate key employees, and failure to do so could adversely affect our business. Failure to hire key executives or employees could have a significant impact on our operations.***

In order to be successful, we are required to attract, train, motivate and retain highly skilled employees, especially branch managers and gold assessment technical personnel. If we cannot hire additional personnel or retain existing qualified personnel, our ability to expand our business will be impaired and our revenue could decline. Hiring and retaining qualified and skilled managers and sales representatives are critical to our future, and competition for experienced employees in the gold loan industry can be intense. In addition, we may not be able to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy and retain our employees to keep pace with continuing changes in technology, evolving standards and changing customer preferences. The failure to hire key executives or employees could have a significant impact on our operations.

44. ***We have entered into certain transactions with related parties. Any transaction with related parties may involve conflicts of interest.***

We have entered into transactions with several related parties, including our Promoters, Directors and related entities. We can give no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest.

For details regarding our related party transactions entered into by us during the previous three Fiscals, please refer to chapters titled "*Related Party Transactions*" on page 134 and "*Financial Statements*" beginning on page 135.

45. ***We are required to comply with the requirements of certain labour laws which may impose additional costs on us.***

Our branches are required to be registered under the relevant shops and establishments laws and verifications under Standards of Weights and Measures Act, 1976 of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays, leave and overtime compensation. If we fail to obtain or retain any of these approvals, exemptions or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any conditions, our certificate of registration may be suspended or cancelled, and we may not be able to carry on such activities.

In addition, our employees are required to be registered under the provisions of certain labour laws such as the Employees' State Insurance Act, 1948, the Payment of Gratuity Act, 1972 the Kerala Shops and Commercial Establishments Act, 1960, the Kerala Labour Welfare Fund Act, 1975, and the Employees Provident Fund and Miscellaneous Provisions Act, 1952. We are also required to maintain certain records under the provisions of these laws, which add to our costs. If we are subject to penalties under these labour laws or if we do not obtain the requisite approvals, our business, financial condition and results of operations may be adversely affected.

46. ***Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.***

NBFCs in India are subject to strict regulations and supervision by the RBI. In addition to the numerous conditions required for the registration as a NBFC with the RBI, we are required to maintain certain statutory and regulatory permits and approvals for our business. In the future, we will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Failure on our part to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

In addition, our branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may

be suspended or cancelled, and we shall not be able to carry on such activities.

47. *All our branch premises, except ten branches, are acquired on lease. Any termination of arrangements for lease of our branches or our failure to renew the same in a favourable, timely manner, could adversely affect our business and results of operations.*

As on December 31, 2024, we had 921 branches in eleven states and one union territory. Except ten branches which are owned by us, the remaining are located on leased premises. If any of the owners of these premises does not renew an agreement under which we occupy the premises, attempts to evict us or seeks to renew an agreement on terms and conditions non-acceptable to us, we may suffer a disruption in our operations or increased costs, or both, which may adversely affect our business and results of operations.

Further, some of our lease deeds for our properties may not be registered and further some of our lease deeds may not be adequately stamped and consequently, may not be accepted as evidence in a court of law and we may be required to pay penalties for inadequate stamp duty. Further, we may not be able to assess or identify all risks and liabilities associated with any properties, such as faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped instruments, or other defects that we may not be aware of.

48. *We have ventured into new business areas and the sustainability, effective management and failure of growth strategy could adversely affect our business and result of operations.*

We have entered new businesses as part of our growth strategy. For example, we have entered into corporate agency agreements with insurance companies, to act as their corporate agent for soliciting or procuring insurance business. We have also entered into agreements for money transfer business including with certain money transfer companies to act in the capacity of their sub-representative to offer money transfer services. Our Company has also entered into an agreement with a tour and travel company to act as its sub-agent, to provide travel related activities. Additionally, our Company has also started the microfinance business in Fiscal 2017.

We have little or no operating experience with such businesses, and you should consider the risks and difficulties we may encounter by entering into new lines of business. New businesses may require capital investments and commitments of time from our senior management, and there often is little or no prospect of earnings in a new business for several years. Moreover, there is no assurance any new business we develop or enter will commence in accordance with our timelines, if at all, which could result in additional costs and time commitments from our senior management. There also can be no assurance that our management will be able to develop the skills necessary to successfully manage these new business areas. Our inability to effectively manage any of the above issues could materially and adversely affect our business and impact our future financial performance.

49. *We rely significantly on our management team, our Key Managerial Personnel and our ability to attract and retain talent. Loss of any member from our management team or that of our Key Managerial Personnel may adversely affect our business and results of operation.*

We rely significantly on our core management team which oversees the operations, strategy and growth of our businesses. Our Key Managerial Personnel have been integral to our development. Our success is largely dependent on our management team which ensures the implementation of our strategy. If one or more members of our management team are unable or unwilling to continue in their present positions, they may be difficult to replace, and our business and results of operation may be adversely affected.

50. *In case of outstanding debt instruments, deposits, or borrowings, any default in compliance with the material covenants could expose you to significant risks. These covenants may include the creation of security as per the agreed terms, default in payment of interest, default in redemption or repayment, and default in payment of penal interest wherever applicable.*

Our ability to comply with these covenants is subject to various factors including our financial condition, profitability, and the general economic conditions in India and in the global financial markets. In accordance with the terms and conditions of the outstanding debt instruments, deposits, or borrowings, any failure to comply with the material covenants could lead to significant risks. These covenants may include the creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, and default in payment of penal interest, among others.

While our Company shall take all necessary steps to comply with these covenants within the timelines prescribed under the agreements and the applicable law, there could be a failure or delay in compliance due to unforeseen circumstances. Any such default could lead to penalties, legal actions, or even trigger a default on other obligations under cross-default provisions which may adversely affect our business, results of operations, financial condition and cash flows. There is no assurance that the Company will be able to avoid such defaults, and any such event could expose you to significant financial and legal risks. It is important for investors to understand these risks and consider them when making their investment decisions.

RISKS PERTAINING TO THIS ISSUE

51. ***Changes in interest rates may affect the price of our NCDs which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.***

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

52. ***You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay in recovering the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.***

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all.

Further, in case of NCDs, although our Company will create appropriate security in favour of the Debenture Trustee for the Debenture Holders to the Issue for the NCDs on the assets adequate to ensure 100.00% security cover on the outstanding amounts of the NCDs and interest thereon, the realisable value of the secured assets may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

53. ***There is no assurance that the NCDs issued pursuant to this Issue will be listed on BSE Limited in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the NCD issued pursuant to this Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issue of NCDs to be submitted. There could be a failure or delay in listing the NCDs in BSE.

54. ***The Issuer, being a NBFC is not required to maintain a debenture redemption reserve ("DRR")***

Pursuant to a Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, a NBFC is not required to maintain DRR for debentures issued through a public issue. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the NCDs.

55. ***There may be no active market for the NCDs on the retail debt market/capital market segment of the BSE. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.***

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market price of our Equity Shares, (iii) the

market for listed debt securities, (iv) general economic conditions, (v) our financial performance, growth prospects and results of operations and (vi) limited or sporadic trading. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

56. ***Our Company may raise further borrowings and charge its assets after receipt of necessary consents from its existing lenders. In such a scenario, the Debenture Holders holding NCDs will rank pari passu with other secured creditors and to that extent, may reduce the amounts recoverable by the Debenture Holders upon our Company's bankruptcy, winding up or liquidation***

Our Company may, subject to receipt of all necessary consents from its existing lenders and the Debenture Trustee to the Issue, raise further borrowings and charge its assets. Our Company is free to decide the nature of security that may be provided for future borrowings. In such a scenario, the Debenture Holders holding NCDs will rank pari passu with other creditors and to that extent, may reduce the amounts recoverable by the Debenture Holders upon our Company's bankruptcy, winding up or liquidation.

57. ***Payments to be made on the NCDs are subordinated to certain taxes and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding up, there may not be sufficient assets of our Company remaining, to pay amounts due on the NCDs.***

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to the NCDs have been paid as per Section 327 of the Companies Act, 2013 or Section 53 of the Insolvency and Bankruptcy Code, 2016, as the case maybe. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts, due on the NCDs.

58. ***The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.***

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for the purpose of onward lending and for repayment of interest and principal of existing loans and also for general corporate purposes. For further details, see "*Objects of the Issue*" at page 51. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. Further, as per the provisions of the SEBI NCS Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

59. ***The liquidity for the NCDs in the secondary market is very low and it may remain so in the future and the price of the NCDs may be volatile.***

The Issue will be a new public issue of NCDs for our Company and the liquidity in NCDs at present is very low in the secondary market. Although an application has been made to list the NCDs on BSE, there can be no assurance that liquidity for the NCDs will improve, and if liquidity for the NCDs were to improve, there is no obligation on us to maintain the secondary market. The liquidity and market prices of the NCDs can be expected to vary with changes in market and economic conditions, our financial condition and prospects and other factors that generally influence market price of NCDs. Such fluctuations may significantly affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs.

60. ***We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the NBFC and Gold Loan industry contained in this Draft Prospectus.***

While facts and other statistics in this Draft Prospectus relating to India, the Indian economy as well as the gold loan industry have been based on various publications and reports from agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials, particularly since there is limited publicly available information specific to the Gold Loan industry. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics, the same have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "*Industry Overview*" beginning on page 63. Due to possibly flawed or ineffective data collection methods or discrepancies between published

information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

External Risk Factors

61. ***Financial difficulties and other problems in certain financial institutions in India could cause our business to suffer and adversely affect our results of operations.***

We are exposed to the risks of the Indian financial system, which in turn may be affected by financial difficulties and other problems faced by certain Indian financial institutions. Certain Indian financial institutions have experienced difficulties during recent years. Some co-operative banks (which tend to operate in rural sector) have also faced serious financial and liquidity crises. There has been a trend towards consolidation with weaker banks, NBFCs and HFCs being merged with stronger entities. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions, banks and NBFCs. This in turn could adversely affect our business, our future financial performance, our shareholders' funds and the market price of our NCDs.

62. ***Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect our business and may also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which could adversely affect our business.

India has also witnessed civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our NCDs.

63. ***Natural calamities could have a negative impact on the Indian economy, particularly the agriculture sector, and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. Further, prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy thereby, adversely affecting our business.

64. ***Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance, our ability to raise financing for onward lending and the price of our NCDs.

65. ***Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.***

There is no assurance that the liberalisation policies of the government will continue in the future. Protests against privatization could slow down the pace of liberalisation and deregulation. The Government of India plays an important role by regulating the policies and regulations that govern the private sector. The current economic policies of the government may change at a later date. The pace of economic liberalisation could change and specific laws and policies affecting the industry and other policies affecting investments in our Company's business could change as well. A significant change in India's economic liberalisation and deregulation policies could disrupt business and economic conditions in India and thereby affect our Company's business.

Unstable domestic as well as international political environment could impact the economic performance in the short term as well as the long term. The Government of India has pursued the economic liberalisation policies

including relaxing restrictions on the private sector over the past several years. The present Government has also announced polices and taken initiatives that support continued economic liberalisation.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business may be affected not only by changes in interest rates, changes in Government policy, taxation, social and civil unrest but also by other political, economic or other developments in or affecting India.

SECTION III – INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated as 'Muthoottu Mini Financiers Private Limited', a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated March 18, 1998 issued by the RoC. Pursuant to a special resolution passed in the general meeting of our Shareholders held on September 14, 2013, our Company was converted into a public limited company and a fresh certificate of incorporation was issued by the RoC on November 27, 2013, and our name was changed to 'Muthoottu Mini Financiers Limited'. For further details about our Company, see "*History and Certain Other Corporate Matters*" on page 118.

Registration

The registration number and corporate identity number of our Company are as follows:

- **Company Registration Number with RoC**: 012154
- **Corporate Identification Number issued by the RoC**: U65910KL1998PLC012154
- **LEI**: 335800NAOPEBJAAFR188
- **Permanent Account Number**: AABCM5994M

Our Company has obtained a certificate of registration dated April 13, 2002 bearing registration no. – N-16.00175 issued by the RBI to carry on the activities of a NBFC under Section 45 IA of the RBI Act. Our Company is a systemically important non-deposit taking NBFC. Further, a fresh certificate of registration was issued by RBI on January 1, 2014, pursuant to the change of name of our Company from 'Muthoottu Mini Financiers Private Limited' to 'Muthoottu Mini Financiers Limited.'

Our Company has also obtained a certificate of registration bearing registration no. – CA0122 issued by IRDAI, with effect from April 1, 2016, under Section 42D (1) of the Insurance Act, to act as a "Corporate Agent (Composite)" (renewed up to March 31, 2028).

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, renewed on August 21, 2017.

Registrar of Companies

Our Company is registered with the Registrar of Companies, Kerala at Kochi, which is situated at the following address:

Company Law Bhavan, BMC Road,
Thrikkakara P.O Kakkanad,
Kochi - 682 021, Kerala

Registered Office and Corporate Office

Muthoottu Mini Financiers Limited
65/623-K, Muthoottu Royal Towers,
Kaloor, Kochi – 682 017,
Kerala, India
Telephone: +91 484 291 2100
E-mail: info@muthoottumini.com
Website: www.muthoottumini.com

For further details regarding changes to our Registered Office and Corporate Office, see "*History and Certain Other Corporate Matters – Change in Registered Office of our Company*" on page 118.

Board of Directors

The following table sets out the details regarding the Board of Directors as on the date of this Draft Prospectus:

Name	Designation	DIN	Address
Nizzy Mathew	Chairman and Wholetime Director	01680739	Muthoottu House, Kozhencherry, Pathanamthitta – 689 641, Kerala, India
Mathew Muthoottu	Managing Director	01786534	Muthoottu House, Kozhencherry, Pathanamthitta – 689 641, Kerala, India
Manojkumar Raveendra Panicker	Independent Director	09357326	31/988Q, Souparnika Panorama Enclave, Lane 1, Subhash Chandra Bose Road, Vyttila, SO, Ernakulam, Kerala, 682019
Mampuzha Mathew Herbert	Independent Director	00640728	Nilgiri 45/126, Correya Road, Pachalam, Ernakulam, Kerala - 682012.
Venugopal Kuttappan Nair	Independent Director	06783512	P1, Water Ford Appartments, PK Road, Thevara, Ernakulam, Kerala 682013
Babita Teresa George	Non-Executive Director	10838844	VII/769-D, Mani Kulangara Road, Thirikkakara Grama Panchayat, Kakkanad, Ernakulam, Kerala PIN : 682030

For further details of Directors of our Company, please see "*Our Management*" on page 121.

Chief Financial Officer

Ann Mary George
65/623-K, Muthoottu Royal Towers
Kaloor, Kochi – 682 017
Kerala, India
E-mail: annmary@muthoottumini.com
Telephone: +91 484 291 2107

Company Secretary and Compliance Officer

Smitha K. S.
65/623-K, Muthoottu Royal Towers
Kaloor, Kochi – 682 017
Kerala, India
E-mail: ks.smitha@muthoottumini.com
Telephone: +91 484 291 2178

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-Issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs refunds, non-receipt of debentures certificates (in case of NCDs which have been re-materialised), transfers, etc.as the case may be.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for, amount blocked on Application and the Designated Branch or the Collection Centres of the SCSB where the Application Form was submitted by the ASBA Applicant.

All grievances relating to ASBA process where the Application is submitted to a Member of Syndicate should be addressed to the Registrar to the Issue with a copy to the relevant Member of Syndicate and the relevant SCSB.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchange Mechanism (app based/web interface platform) of the Stock Exchange, or through Trading Members, may be addressed directly to the Stock Exchange, with a copy to the Registrar to the Issue.

Lead Manager to the Issue

Vivro Financial Services Private Limited
Vivro House 11, Shashi Colony, Opposite Suvidha Shopping
Center, Paldi, Ahmedabad – 380007, Gujarat, India
Tel: +91 7940404242/40/41
Email: investors@vivro.net
Investor Grievance E-mail: investors@vivro.net
Contact Person: Jay Dodiya / Kruti Saraiya
Website: www.vivro.net
SEBI Registration No.: INM000010122

Debenture Trustee

MITCON Credentia Trusteeship Services Limited
1402/1403, B-Wing, Dalamal Towers, 14th Floor,
Press Journal Marg,
211, Nariman Point, Mumbai – 400 021,
Maharashtra, India
Telephone: +91 22 2282 8200
Facsimile: +91 22 22024553
Email: contact@mitconcredentia.in
Investor Grievance mail: investorgrievances@mitconcredentia.in
Website: www.mitconcredentia.in
Contact Person: Vaishali Urkude
SEBI Registration Number: IND000000596

MITCON Credentia Trusteeship Services Limited has by its letter dated March 28, 2025 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Prospectus and in all the subsequent periodical communications to be sent to the holders of the NCDs issued pursuant to this Issue.

All the rights and remedies of the NCD Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the NCD Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the NCD Holders. For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" on page 235.

Registrar to the Issue

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited
C-101, 1st Floor, 247 Park, L.B.S. Marg
Vikhroli West, Mumbai – 400 083
Maharashtra, India
Telephone: +91 8108114949
Facsimile: +91 22 4918 6195
Email: mmfl.ncd2025@in.mpms.mufg.com
Website: https://in.mpms.mufg.com/
Investor Grievance Email: mmfl.ncd2025@in.mpms.mufg.com
Compliance Officer: B.N Ramakrishnan
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

Credit Rating Agency

ICRA

Electric Mansion, 3rd Floor, Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400025
Telephone: +91 22 61143406
Fax: +91 22 24331390
Email: shivakumar@icraindia.com
Website: www.icra.in
Contact Person: L Shivakumar
SEBI Registration Number: IN/CRA/008/2015

Legal Advisor to the Issue

KHAITAN &CO ADVOCATES SINCE 1911

Khaitan & Co
One World Centre
10th, 13th & 14th Floors, Tower 1C
841 Senapati Bapat Marg
Mumbai – 400 013
Maharashtra, India
Telephone: + 91 22 6636 5000
Website: www.khaitanco.com

Statutory Auditor
Mohandas & Associates,
Chartered Accountants
IIIrd Floor, Sree Residency,
Press Club Road, Thrissur 680001, Kerala
Telephone: 0487 2333124
Email: ma.auditors@gmail.com
Firm Registration No: 002116S
Contact Person: Mohandas Anchery
Membership No: 036726
Peer Review No: 016256

Banker to our Company
HDFC Bank Limited
SL Plaza Near Palarivattom Jn
Edappally Palarivattom Rd
Ernakulam- 682025
Telephone: +91 9895332633
Facsimile: +91 9895332633
Emai: nithin.kuncheria@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Nithin Kuncheria
SEBI Registration Number: INBI00000063
CIN: L65920MH1994PLC080618

Bankers to the Issue

Public Issue Account Bank/Sponsor Bank/Refund Bank

As Specified in Prospectus

Syndicate Member
As Specified in Prospectus

Designated Intermediaries

Self-Certified Syndicate Banks

The banks which are registered with SEBI under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer services in relation to ASBA, including blocking of an ASBA Account, a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated Branches of the SCSBs, with which an Applicant, not applying through the Syndicate, may submit the Application Forms, is available at http://www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Applications submitted to the Designated Intermediaries, the list of branches of the SCSBs to receive deposits of ASBA Applications from such Designated Intermediaries is provided on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Applications from Designated Intermediaries, see the above-mentioned web-link.

SCSBs eligible as issuer banks for UPI Mechanism and eligible mobile applications

In accordance with SEBI Master Circular, UPI Investors making an Application in the Issue using the UPI Mechanism, may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at www.sebi.gov.in, and updated from time to time.

RTAs / CDPs

The list of the RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of BSE at http://www.bseindia.com, for RTAs and CDPs, as updated from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/ 2015 dated November 10, 2015, Applicants can submit the Application Forms with the registered brokers at the Broker Centers, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the registered brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Arrangers/Guarantor to the Issue

There are no arrangers/guarantor to the Issue.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities, the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 75% of the Base Issue i.e. ₹ 7,500 lakh within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount blocked shall be unblocked in the respective ASBA Accounts of each Applicant, within eight Working Days from the date of closure of the Issue, provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Credit Rating and Rationale

Our Company has been assigned rating of [ICRA] A (Stable) by ICRA Limited *vide* its letter dated March 27, 2025, for

the NCDs proposed to be issued pursuant to this Issue. The rating given by ICRA Limited is valid as on the date of this Draft Prospectus and shall remain valid on date of the issue and allotment of NCDs and the listing of the NCDs on BSE. The rating provided by ICRA Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. The rating is not a recommendation to buy, sell or hold securities. For the rating letter and rating rationale / press release, see "*Annexure II*" on page 311.

Consents

Consents in writing of Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Debenture Trustee, Statutory Auditor, Previous Statutory Auditor, legal advisor to the Issue, Lead Manager, the Registrar to the Issue, Credit Rating Agency, Public Issue Account Bank, Sponsor Bank, Refund Bank, Syndicate Member, the Debenture Trustee, FSAPL, and the lenders to our Company to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further such consents shall not be withdrawn up to the time of delivery of the Prospectus with the RoC.

Underwriting

This Issue is not underwritten.

Utilisation of Issue proceeds

For details on utilization of Issue proceeds, please refer to "*Objects of the Issue*" on page 51.

Issue Programme

ISSUE OPENS ON	**As specified in the Prospectus**
ISSUE CLOSES ON	**As specified in the Prospectus[#]**

[#]The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 Working Days and a maximum period of 10 Working Days from the date of the issue and subject to not exceeding 30 days from the date of filing of the Prospectus with ROC including any extensions) as may be decided by the Board of Directors of our Company ("Board") or the Debenture Committee, subject to relevant approvals, in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in an English national daily newspaper and a regional daily newspaper in the state of Kerala, with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. on one Working Day post the Issue Closing Date. Further please note that Application (including Application under the UPI Mechanism) shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period as mentioned above by the (a) by the Designated Intermediaries at the Collection Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs as mentioned on the Application Form, except that on the Issue Closing Date when Applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and shall be uploaded until 5.00 p.m. (IST) or such extended time as permitted by Stock Exchange. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. It is clarified that the Applications not uploaded in the Stock Exchange platform would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time.

Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Working Days. Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, registered brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or Designated Branches of SCSBs nor the Stock Exchange are liable for any failure in uploading the

Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of Investors, the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

CAPITAL STRUCTURE

1. Details of share capital

The share capital of our Company as on December 31, 2024 is set forth below:

Share Capital	(in ₹)
AUTHORISED SHARE CAPITAL	
3,25,00,000 Equity Shares of ₹ 100 each	3,25,00,00,000
Total Authorised Share Capital	3,25,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
2,50,32,539 Equity Shares of ₹ 100 each fully paid up	2,50,32,53,900
Securities Premium Account	80,64,15,000

Note: There will be no change in the capital structure and securities premium account due to the issue and allotment of the NCDs.

2. Issue size

Public issue by our Company of Secured, Redeemable Non-Convertible Debentures ("NCDs") amounting up to ₹ 10,000 lakh, with an option to retain over-subscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000 lakh, on the terms and in the manner set forth herein

3. Details of change in authorised share capital of our Company in the preceding three financial years and current year as on date of this Draft Prospectus:

There have been no changes in the authorised share capital of our Company since last three financial years and current financial year as on date of this Draft Prospectus.

4. Changes in the Equity Share capital of our Company in the preceding three financial years and current year as on date of this Draft Prospectus:

Date of Allotment	No of Equity Shares	Face value (₹)	Issue Price (₹)	Consideration (Cash, other cash, etc)	Nature for Allotment	Cumulative		
						No. of equity shares	Equity Share Capital (₹ in lakh)	Equity Share Premium (₹ in lakh)
March 28, 2024	80,000	100	375	Cash	Preferential allotment by private placement of equity shares	2,50,32,539	25,032.54	8,064.15

5. Issue of Equity Shares for consideration other than cash for the preceding three financial years and current financial year as on date of this Draft Prospects.

Our Company has not issued any Equity Shares for consideration other than cash.

6. Shareholding pattern of our Company on December 31, 2024:

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group																	
	Promoter	2	1,82,14,358	-	-	1,82,14,358	72.76%	1,82,14,358	1,82,14,358	1,82,14,358	72.76%	-	-	-	-	-	-	1,82,14,358
	Promoter Group	5	68,18,176	-	-	68,18,176	27.24%	68,18,176	68,18,176	68,18,176	27.24%	-	-	-	-	-	-	68,18,176
	Total Promoter & Promoter Group	**7**	**2,50,32,534**	-	-	**2,50,32,534**	-	**2,50,32,534**	**2,50,32,534**	**2,50,32,534**	**100%**	-	-	-	-	-	-	**2,50,32,534**

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: y	Total								
(B)	Public	5	5	-	-	5	-	5	5	5	Negligible	-	-	-	-	-	-	5
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	12	**2,50,32,539**	-	-	**2,50,32,539**	-	**2,50,32,539**	**2,50,32,539**	**2,50,32,539**	**100%**	-	-	-	-	-	-	**2,50,32,539**

7. List of top 10 holders of Equity Shares of our Company as on December 31, 2024:

Sr. No.	Name of the Shareholder	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	% of total number of Equity Shares
1.	Mathew Muthoottu	1,48,59,912	1,48,59,912	59.36
2.	Nizzy Mathew	33,54,446	33,54,446	13.40
3.	Muthoottu Mini Hotels Private Limited	25,51,298	25,51,298	10.19
4.	Mini Muthoottu Credit India Private Limited	14,19,841	14,19,841	5.67
5.	Muthoottu Mini Theatres Private Limited	12,17,835	12,17,835	4.87
6.	Roy M. Mathew	9,99,995	9,99,995	4.00
7.	Muthoottu Infotech Private Limited *(formerly known as R M M Properties India Private Limited)*	6,29,207	6,29,207	2.51
8.	Thomas Kutty	1	1	Negligible
8.	Samuel Kutty K V	1	1	Negligible
8.	Raju Thomas	1	1	Negligible
8.	Ivan Mathew	1	1	Negligible
8.	C K Varghese	1	1	Negligible
	Total	**2,50,32,539**	**2,50,32,539**	**100.00**

8. List of top 10 holders of non-convertible securities as on December 31, 2024 in terms of value (on cumulative basis):

S. No.	Name of holder of non-convertible securities	Category of holder	Amount (in ₹ lakh) Face Value of holding	Holding as a % of outstanding non-convertible securities
1.	Northern Arc Capital Limited	CBO	2440.90	2.16
2.	Mas Financial Services Ltd	CBO	750.00	0.66
3.	Naval Group Insurance Fund	CBO	719.00	0.64
4.	Jai Mammen.	Public	300.00	0.27
5.	Monetary Kuries Private Ltd	Other Bodies Corporate	300.00	0.27
6.	Nitam Investments Private Limited	CBO	278.00	0.25
7.	Bivalkar Amit Anand	Public	271.00	0.24
8.	Treesa Rose	Public	250.00	0.22
9.	Gajanan Astik Kanitkar	Public	225.00	0.20
10.	S J Investment Services	CBO	218.00	0.19

9. List of top 10 holders of commercial paper as on December 31, 2024 in terms of value (on cumulative basis):

S. No.	Name of CP holder	Category of CP holder	Face value of CP	Amount (in lakh) Face Value of holding	CP holding % as a percentage of total CP outstanding of the issuer
1.	Northern Arc	Corporate Entity	5,00,000	5,000.00	27.78%
2.	Sundaram Finance	Corporate Entity	5,00,000	5,000.00	27.78%
3.	Kangra Central Coop Bank Limited	Corporate Entity	5,00,000	4,000.00	22.22%
4.	Dvara Kshetriya Gramin Financial Services	Corporate Entity	5,00,000	2,500.00	13.89%

S. No.	Name of CP holder	Category of CP holder	Face value of CP	Amount (in lakh) Face Value of holding	CP holding % as a percentage of total CP outstanding of the issuer
5.	Ambit Finvest Private Limited	Corporate Entity	5,00,000	1,500.00	8.33%

10. Statement of the aggregate number of securities of our Company purchased or sold by our Promoter, Promoter Group, our Directors and the directors of our Promoter and/or their relatives within six months immediately preceding the date of filing of this Draft Prospectus.

Except for the details as set out in the table below, no securities of our Company have been purchased or sold by our Promoter, promoter group, our Directors, directors of our Promoter and/or their relatives within six months immediately preceding the date of filing of this Draft Prospectus.

Sr. No.	Name of the Transferor	Name of the Transferee	Date of purchase/ transfer	Whether purchase/ transfer	Number of NCD's	Amount in ₹ lakhs
1.	Demat (secondary market)	Nizzy Mathew	Not available (Secondary market)	Purchase	200	2.00
2.	Demat (secondary market)	Nizzy Mathew	Not available (Secondary market)	Purchase	1000	10.00

11. Shareholding of Directors in our Company

The shareholding of the Directors in our Company as on December 31, 2024 is mentioned below:

Sr. No.	Name of Director	Number of Equity Shares
1.	Mathew Muthoottu	148,59,912
2.	Nizzy Mathew	33,54,446
3.	Venugopal Kuttappan Nair	0
4.	Manoj Kumar R	0
5.	MM Herbert	0
6.	Babita Teresa George	0

12. Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Draft Prospectus.

13. Our Company has not made any reorganization/reconstructionin the last one year prior to the date of this Draft Prospectus.

14. None of the Equity Shares held by the Promoter are pledged or encumbered otherwise.

15. As on December 31, 2024, our Company has 2,50,32,539 Equity Shares of our Company having face value of ₹ 100 each are in dematerialised form.

16. As on the date of this Draft Prospectus, the Company does not have any employee stock option schemes.

17. There has been no change in promoter holding in our Company during the last financial year beyond 26% (as prescribed by RBI).

OBJECTS OF THE ISSUE

Our Company proposes to utilise the funds which are being raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company ("**Net Proceeds**"), estimated to be approximately ₹ [•] lakh, towards funding the following objects (collectively, referred to herein as the "**Objects**"):

1. For the purpose of onward lending, financing, and for repayment/prepayment of principal and interest on borrowings of the Company; and

2. General corporate purposes.

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which our Company has been carrying on till date.

The details of the proceeds of the Issue are set forth in the following table:

(₹ in lakh)

No.	Description	Amount
1.	Gross proceeds of the Issue	Up to 20,000
2.	(less) Issue related expenses*	[•]
3.	Net Proceeds*	[•]

**To be updated in the Prospectus*

Requirement of funds and Utilisation of Net Proceeds

The following table details the objects of the Issue and the amount proposed to be financed from the Net Proceeds:

No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing and for repayment/ prepayment of principal and interest of borrowings of the Company.	At least 75%
2.	General corporate purposes*	Maximum of up to 25%
Total		**100%**

**The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the gross proceeds, in compliance with the SEBI NCS Regulations.*

For further details of our Company's outstanding indebtedness, see "*Financial Indebtedness*" on page 137.

Funding plan

Not applicable

Summary of the project appraisal report

Not applicable

Schedule of implementation of the project

Not applicable

Interests of Directors/Promoter

No part of the proceeds from this Issue will be paid by us as consideration to our Promoter, our Directors, Key Managerial Personnel or companies promoted by our Promoter except in ordinary course of business.

Interim Use of Proceeds

Our management, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board. Such investment would be in accordance with the investment policies approved by the Board or any committee thereof from time to time. Also, such investments shall be in line with the guidelines and regulations prescribed by RBI.

Monitoring of Utilization of Funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilization of the proceeds of the Issue. For the relevant financial years commencing from financial year 2024-2025, our Company will disclose in our financial statements, the utilisation of the Net Proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue. Our Company shall utilise the proceeds of the Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchange.

Variation in terms of contract or objects in this Draft Prospectus

The Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Draft Prospectus is issued, except as may be prescribed under the applicable laws and under Section 27 of the Companies Act, 2013.

Issue related expenses

The expenses for this Issue include, *inter alia*, Lead Manager's fees and selling commission to the Lead Manager, brokers' fees, fees payable to Debenture Trustee, the Registrar to the Issue, Sponsor Bank, SCSBs' commission/fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company. Our Company shall include the details of commission and processing fees payable to each intermediary and the timelines for payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries/Sponsor Bank.

The estimated breakdown of the total expenses for the Issue shall be specified in the Prospectus.

Other Confirmation

In accordance with the SEBI NCS Regulations, our Company will not utilise the proceeds of the Issue for providing loans to or for acquisitions of shares of any entity who is a part of the Promoter Group or the Group Companies of our Company.

The Issue Proceeds shall not be utilised towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any property. The Issue Proceeds shall not be used for buying, trading or otherwise dealing in equity shares of any other listed company.

No part of the proceeds from the Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel or companies promoted by our Promoter except in ordinary course of business.

The Issue Proceeds from NCDs Allotted to banks will not be utilised for any purpose which may be in contravention of the RBI guidelines on bank financing to NBFCs including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI regulations.

Our Company undertakes that the Issue Proceeds from NCDs Allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines on bank financing to NBFCs.

Our Company confirms that it will not use the proceeds of the Issue for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to the capital or profit or losses or both in such business

exceeding 50% thereof, directly or indirectly in the acquisition of any immovable property or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, cash flows, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

Utilisation of Issue Proceeds

a. All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account other than the bank account referred to in Section 40 (3) of the Companies Act, 2013 and the SEBI NCS Regulations, and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals;

b. Details of all monies utilised out of the Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Company's balance sheet indicating the purpose for which such monies had been utilised;

c. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;

d. The Issue Proceeds shall not be utilised towards full or part consideration for the purchase or any other acquisition, inter alia, by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business property; and

e. Details of all utilised and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilised indicating the purpose for which such monies have been utilised and the securities or other forms of financial assets in which such unutilised monies have been invested.

STATEMENT OF POSSIBLE TAX BENEFITS

Statement of Possible Tax Benefits/Statement

To,
Muthoottu Mini Financiers Limited
Muthoottu Mini Financiers Limited
65/623K, Muthoottu Royal Towers,
Kaloor, Kochi – 682 017,
Kerala, India

And

Vivro Financial Services Private Limited
Vivro House, 11, Shashi Colony,
Opposite Suvidha Shopping Center,
Paldi, Ahmedabad – 380007
Gujarat, India
("**Lead Manager**" or "**LM**")

Sub: Proposed public offering of Secured Redeemable Non-Convertible Debenture of face value of ₹ 1,000 each ("NCDs") amounting up to ₹ 10,000 lakhs ("Base Issue"), with an option to retain over-subscription up to ₹ 10,000 lakhs, aggregating up to ₹ 20,000 lakhs ("Issue") by Muthoottu Mini Financiers Limited ("Company" or "Issuer")

We, Mohandas & Associates, Chartered Accountants, hereby confirm that the accompanying statement of possible tax benefits available to the debenture holder(s) states the possible tax benefits available to the debenture holders of the Company under the Income-tax Act, 1961 (the "**IT Act**"), as amended by the Finance Act, 2025, i.e. applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27 respectively, presently in force in India (hereinafter referred to as the "Indian Income Tax Regulations") for the purpose of inclusion in the Offer document, in connection with the Issue, has been prepared by the management of the Company, which we have initiated for identification purposes. We are informed that such debentures raised in the Issue will be listed on BSE Limited ("**Stock Exchange**") and the Statement has been prepared by the Company's management on such basis.

We have performed the following procedures:

i. Read the statement of tax benefits as given in **Annexure I**, and

ii. Evaluated with reference to the provisions of the IT Act to confirm that statements made are correct in all material respect.

We confirm that the Statement as set out in **Annexure I** materially covers all the provisions of the Indian Income Tax Regulations with respect to debenture holders of the Company. Several of these benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws.

The benefits discussed in the enclosed **Annexure I** are not exhaustive. The statement is only intended to provide general information and is neither designed nor intended to be a substitute for the professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation.

The contents of the enclosed **Annexure I** are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

We hereby consent to inclusion of this report and the accompanying Statement in the relevant Offer document and/or any other document in relation to the Issue to be filed by the Company with the Stock Exchange, the Securities and Exchange Board of India, and the Registrar of Companies, and any other regulatory authority in relation to the Issue and such other

documents as may be prepared in connection with the Issue. Further we consent the inclusion of our name as "Expert" as defined under section 2 (38) Companies Act, 2013 to the extent to which it relates to the Statement of Possible Tax Benefits.

This report has been issued at the request of the Company for use in connection with the Issue and may accordingly be furnished as required to SEBI, BSE Limited or any other regulatory authorities, as required, and shared with and relied on as necessary by the Company's advisors and intermediaries duly appointed in this regard.

For Mohandas & Associates
Chartered Accountants
Firm Registration No: 002116S
Peer Review No: 016256
UDIN: 25036726BMHUED3600

Mohandas Anchery
Partner
Membership No: 036726

Date : March 28, 2025
Place : Thrissur

Annexure I

STATEMENT OF POSSIBLE TAX BENEFITS UNDER THE INCOME TAX ACT, 1961 ("IT ACT") AVAILABLE TO THE DEBENTURE HOLDERS UNDER THE APPLICABLE INCOME-TAX LAWS IN INDIA.

The following tax benefits will be available to the debenture holders of the Company ("**Debenture Holders**") as per the existing provisions of law. The tax benefits are given as per the prevailing tax laws under the provisions of the IT Act, as on date, taking into account the amendments made by the Finance Act, 2025, and may vary from time to time in accordance with amendments to the law or enactments thereto. The Debenture Holders are advised to consider the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible.

IMPLICATIONS UNDER THE IT ACT

I. TO THE RESIDENT DEBENTURE HOLDER ("RESIDENT" AS DEFINED UNDER SECTION 6 OF THE IT ACT)

A. <u>In Respect of Interest on Debentures (NCDs)</u>

1. Interest on NCD received by Debenture Holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the IT Act. Interest will be assessed to Income tax on receipt basis or mercantile basis (accrual basis) depending on the method of accounting regularly employed by the NCD holders under Section 145 of the IT Act.

2. Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest is paid by a company in which the public is substantially interested if the amount of interest paid to such person does not exceed Ten thousand rupees in a financial year and interest is paid by way of account payee cheque).
   Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

   a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest;

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

   c) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL; and

   d) In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. Please find below the class of resident investors and respective documents that would be required for granting TDS exemption:

Sr No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
1	Resident Individual or resident HUF	Claiming non-deduction or lower deduction of tax at source under section 193 of the IT Act,	Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company. However, in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (iii) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.
2	Life insurance Corporation of India	Clause vi of Proviso to Section 193	Copy of Registration certificate
3	a. General Insurance Corporation of India, b. 4 companies formed under section 16(1) of General Insurance Business Act, 1972 and c. any company in which GIC and aforesaid 4 companies have full beneficial interest (100% shareholding)	Clause vii of Proviso to Section 193	a. Copy of Registration certificate b. Copy of Registration certificate c. Copy of shareholding pattern
4	Any other Insurer	Clause viii of Proviso to Section 193	Copy of Registration certificate issued by IRDA
5	Mutual Funds	Section 196(iv) read with Section 10(23D)	Copy of Registration certificate issued by SEBI / RBI and notification issued by Central Government
6	Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 196(i), (ii) and (iii)	In case of Corporation, Declaration that their income is exempt from tax with applicable provisions
7	Recognized Provident Funds, Recognized Gratuity Funds, Approved Superannuation Funds, Employees' State Insurance Fund etc.	Section 10(25) and 10(25A) and CBDT Circular - 18/2017	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities and Declaration from the funds that their income is exempt u/s 10(25) and 10(25A)
8	New Pension System Trust	Section 10(44) read with Section 196(iii) and CBDT Circular - 18/2017	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882
9	Other entities like Local authority, Regimental Funds, IRDA etc.	Section 10(20) etc. read with CBDT Circular - 18/2017	Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income
10	Alternative Investment Funds (Category I and II)	Section 197A(1F)	Copy of Registration certificate issued by SEBI

B. <u>In respect of Capital Gains</u>

1. Long Term Capital Gain

Under Section 2(29AA) read with section 2(42A) of the IT Act, listed Debentures held as Capital Asset as defined under section 2(14) of the IT Act is treated as long term capital asset if it is held for more than 12 Months. Debentures held as capital asset for a period of 12 Months or less will be treated as short term capital asset.
As per Section 112 of the IT Act, Capital Gains arising on transfer of long term capital assets being listed debentures are subject to tax at the rate of 12.5% (plus applicable surcharge and health education cess) on the capital gains calculated without indexing the cost of acquisition.

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

2. Short Term Capital Gains

Listed Debentures held as capital asset under Section 2(14) of the IT Act for a period of not more than 12 months would be treated as Short term capital asset under Section 2(42A) of the IT Act. Short Term Capital Gains on transfer of NCD will be taxed at the normal rates of tax in accordance with the provisions of the IT Act. The provisions relating to maximum amount not chargeable to tax would apply to short term capital gains.

3. Capital Loss on transfer of Debentures.

As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

4. Exemption available for Individuals and HUF for Long Term Capital gains of the IT Act.

As per the provisions of Section 54F of the IT Act, any long-term capital gains on transfer of a long term capital asset(not being a residential house) arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein.

Under section 54EE of the IT Act, long term capital gains arising to the Debenture Holder(s) on transfer of debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in long term specified asset (a unit or units issued before 01.04.2019) as notified by Central Government within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money. However, the exemption is subject to a limit of investment of ₹50 lakhs during any financial year in the notified bonds. Further, in case where loan or advance on the security of such notified units is availed, such notified units shall be deemed to have been transferred on the date on which such loan or advance is taken.

Where the benefit of Section 54EE of the IT Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

C. **In respect of Business Income**

In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII, which is notified by the Ministry of Finance, Government of India under

Section 145(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank and Public Financial Institutions, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

D. <u>Debentures received as gift without consideration or inadequate consideration.</u>

As per section 56(2)(x) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds ₹50,000/- the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the IT Act. There is no gift tax for the Donor of the Debentures.

II. TO THE NON-RESIDENT DEBENTURE HOLDER.

A Non – Resident Indian has an option to be governed by Chapter XII – A of the IT Act, subject to the provisions contained therein which are given in brief as under:

a) As per Section 115E of the IT Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas long term capital gains on transfer of such Debentures will be taxable at 12.5% of such capital gains without indexation of cost of acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

b) As per Section 115G of the IT Act, it shall not be necessary for a non-resident Indian to file a return of income under Section 139(1) of the IT Act, if his total income consists only of investment income as defined under Section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII- B of the IT Act in accordance with and subject to the provisions contained therein.

c) As per Section 115D (1) of the IT Act no deduction in respect of any expenditure or allowance shall be allowed under any provisions of the IT Act in the computation of income of a non-resident Indian under Chapter XII – A of the IT Act.

d) In accordance with and subject to the provisions of Section 115-I of the IT Act, a Non-Resident Indian may opt not to be governed by the provisions of Chapter XII – A of the IT Act. In such a case, long term capital gains on transfer of listed debentures would be subject to tax at the rate of 12.5% computed without indexation of cost of acquisition.

e) Interest income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the IT Act.

f) Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the IT Act.

g) Under Section 195 of the IT Act, the applicable rate of tax deduction at source is 20% on investment income and 12.5% on any long-term capital gains as per Section 115E, and 30% for Short Term Capital Gains if the payee debenture Holder is a Non-Resident Indian.

h) The income tax deducted shall be increased by applicable surcharge and health and education cess. As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

i) As per Section 90(2) of the IT Act read with the Circular No. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate (TRC), is a mandatory condition for availing benefits under any DTAA. If the tax residency certificate does not contain the prescribed particulars as per CBDT Notification 57/2013 dated August 1, 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC.

j) Alternatively, to avail non deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under Section 195(2) and 195(3) of the IT Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

k) In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII which is notified by the Ministry of Finance, Government of India under Section 145(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

l) As per section 56(2)(x) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds Rs. 50,000/- the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the IT Act. There is no gift tax for the Donor of the Debentures.

m) As per the provisions of Section 54F of the IT Act, any long-term capital gains on transfer of a long term capital asset(not being a residential house) arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein

III. TO THE FOREIGN INSTITUTIONAL INVESTORS/ FOREIGN PORTFOLIO INVESTORS (FIIs/ FPIs)

1. As per Section 2(14)(b) of the IT Act, any securities held by FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.

2. In accordance with and subject to the provisions of Section 115AD of the IT Act, long term capital gains on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of Section 48 of the IT Act will not apply.

3. Interest on NCD may be eligible for concessional tax rate of 5% (plus applicable surcharge and health and education cess) for interest referred under Section 194LD.

4. Further, in case where section 194LD is not applicable, the interest income earned by FIIs/FPIs should be chargeable to tax at the rate of 20% under section 115AD of the IT Act. Tax shall be deducted u/s. 196D of the IT Act on such income 141 at 20%. Where DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein.

5. Section 194LD in the IT Act provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by an Indian Company to FIIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian Company between June 1, 2013 and July 1, 2023 provided such rate does not exceed the rate as may be

notified by the Government.

6. The income tax deducted shall be increased by applicable surcharge and health and education cess.

7. In accordance with and subject to the provisions of Section 196D(2) of the IT Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs referred to in section 115AD.

8. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the IT Act.

IV. TO MUTUAL FUNDS

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India are exempt from tax on all their income, including income from investment in Debentures under the provisions of Section 10 (23D) of the IT Act in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the IT Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V. TO SPECIFIED FUNDS ("SPECIFIED FUND" AS DEFINED UNDER SECTION 10(4D) OF THE IT ACT)

The income of Specified Funds is taxable for the year beginning April 1, 2020, to the extent attributable to units held by non-resident (not being a permanent establishment of a non-resident in India), and in accordance with and subject to the provisions of Section 115AD of the IT Act, as under:

a) The interest income earned are chargeable to tax at the rate of 10%;

b) long term capital gains on transfer of debentures to the specified extent are taxable at 10% (benefit of provisions of the first proviso of section 48 of the IT Act will not apply); and

c) Short-term capital gains are taxable at 30%.

Further, where any income in respect of NCD is payable to Specified Funds, tax shall be deducted at the rate of 10% on the income other than exempt under section 10(4D) with effect from November 1, 2020 as per Section 196D of the IT Act.

The income tax deducted shall be increased by applicable surcharge and health and education cess.

VI. REQUIREMENTS TO FURNISH PAN/FILING OF RETURNS UNDER THE IT ACT

1. SEC. 139A (5A):

Section 139A (5A) requires every person from whom income tax has been deducted at source under chapter XVII – B of the IT Act to furnish his PAN to the person responsible for deduction of tax at source.

2. **SEC. 206AA**:

a) Section 206AA of the IT Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:

(i) at the rate specified in the relevant provision of the IT Act; or
(ii) at the rate or rates in force; or
(iii) at the rate of twenty per cent.

b) A declaration under Section 197A (1) or 197A (1A) or 197A (1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (a) above in such a case.

c) Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply.

d) As per Rule 37BC, the higher rate under section 206AA shall not apply to a non resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).

NOTES FORMING PART OF STATEMENT OF TAX BENEFITS

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debenture/bonds.

2. The above statement covers only certain relevant benefits under the IT Act and does not cover benefits under any other law.

3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2026-27 (Financial year 2025-26) and taking into account the amendments made by the Finance Act, 2025.

4. This statement is intended only to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each debenture Holder is advised to consult his/her/its own tax advisor with respect to specific consequences of his/her/its holding in the debentures of the Company.

5. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to Chapter X and Chapter XA of the IT Act.

6. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.

7. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the non-resident has fiscal domicile.

8. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty and applicable domestic tax law.

9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The Information under this section has been derived from the industry report titled "Gold Loan Industry in India" dated March 13, 2025 prepared and issued by Fitch Solutions India Advisory Private Limited in an "as is where is basis" and the information in this section has not been independently verified by the Company, the Lead Manager, our Legal Counsel or any of their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources they believe to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Figures used in this section are presented as in the original sources and have not been adjusted, restated or rounded off for presentation in this Draft Prospectus.

1. Overview of Global Economy

The global economy is holding steady, although the degree of grip varies widely across countries. As per the IMF World Economic Outlook (WEO) January 2025, Global growth is projected at 3.3% both in 2025 and 2026, below the historical (2000-2019) average of 3.7%. Growth in China, at 4.7% in year-over-year terms was below expectations. Faster than expected net export growth only partly offset a faster than expected slowdown in consumption amid delayed stabilization in the property market and persistently low consumer confidence. Growth in India also slowed more than expected, led by a sharper than expected deceleration in industrial activity. Growth continued to be subdued in the euro area (with Germany's performance lagging that of other euro area countries), largely reflecting continued weakness in manufacturing and goods exports even as consumption picked up in line with the recovery in real incomes. In Japan, output contracted mildly owing to temporary supply disruptions. By contrast, momentum in the United States remained robust, with the economy expanding at a rate of 2.7% t in year-over-year terms in the third quarter, powered by strong consumption.

Few Global macro trends as per the IMF World Economic Outlook (WEO) January 2025 report are as follows:

Trends in Global inflation: Global disinflation continues, but there are signs that progress is stalling in some countries and that elevated inflation is persistent in a few cases. The global median of sequential core inflation has been just slightly above 2% for the past few months. Nominal wage growth is showing signs of moderation, alongside indications of continuing normalization in labor markets. Although core goods price inflation has fallen back to or below trend, services price inflation is still running above pre COVID-19 averages in many economies, most notably the United States and the euro area. Pockets of elevated inflation, reflecting a range of idiosyncratic factors, also persist in some emerging market and developing economies in Europe and Latin America. Where inflation is proving more sticky, central banks are moving more cautiously in the easing cycle while keeping a close eye on activity and labor market indicators as well as exchange rate movements. A few central banks are raising rates, marking a point of divergence in monetary policy.

Trends in Global financial condition: Global financial conditions remain largely accommodative, again with some differentiation across jurisdictions. Equities in advanced economies have rallied on expectations of more business-friendly policies in the United States. In emerging market and developing economies, equity valuations have been more subdued, and a broad-based strengthening of the US dollar, driven primarily by expectations of new tariffs and higher interest rates in the United States, has kept financial conditions
tighter.

Trends in Economic policy: Economic policy uncertainty has increased sharply, especially on the trade and fiscal fronts, with some differentiation across countries. Expectations of policy shifts under newly elected governments in 2024 have shaped financial market pricing in recent months. Bouts of political instability in some Asian and European countries have rattled markets and injected additional uncertainty regarding stalled progress on fiscal and structural policies. Geopolitical tensions, including those in the Middle East, and global trade frictions remain elevated.

World Economic Outlook

As per the IMF World Economic Outlook (WEO), January 2025; Global growth is projected at 3.3% both in 2025 and 2026, below the historical (2000-2019) average of 3.7%.

Economic Outlook for Advanced Economies

Among advanced economies, growth forecast revisions go in different directions. In the United States, underlying demand remains robust, reflecting strong wealth effects, a less restrictive monetary policy stance, and supportive financial conditions. Growth is projected to be at 2.7% in 2025. This reflects carryover from 2024 as well as robust labor markets and accelerating investment, among other signs of strength. Growth is expected to taper to potential in 2026.

Economic Outlook for Euro Area

In the euro area, growth is expected to pick up but at a more gradual pace than anticipated in October 2024, with geopolitical tensions continuing to weigh on sentiment. Weaker-than-expected momentum at the end of 2024, especially in manufacturing, and heightened political and policy uncertainty explain a downward revision to 1.0% in 2025. In 2026, growth is set to rise to 1.4%, helped by stronger domestic demand, as financial conditions loosen, confidence improves, and uncertainty recedes somewhat. In other advanced economies, two offsetting forces keep growth forecasts relatively stable. On the one hand, recovering real incomes are expected to support the cyclical recovery in consumption. On the other hand, trade headwinds - including the sharp uptick in trade policy uncertainty - are expected to keep investment subdued.

Economic Outlook for Emerging market and Developing economies

In emerging market and developing economies, growth performance in 2025 and 2026 is expected to
broadly match that in 2024. Growth in 2025 for China would be at 4.6%. This revision reflects carryover from 2024 and the fiscal package announced in November 2024 largely offsetting the negative effect on investment from heightened trade policy uncertainty and property market drag. In 2026, growth is projected mostly to remain stable at 4.5%, as the effects of trade policy uncertainty dissipate, and the retirement age increase slows down the decline in the labor supply. In India, growth is projected to be solid at 6.5% in 2025 and 2026, as projected in October 2024 and in line with potential.

Overview of the World Economic Outlook Projections (% change)

Name of the Country/ Economy	Actuals	Estimate	Projections	
	2023	2024	2025	2026
World Output	**3.3**	**3.2**	**3.3**	**3.3**
Advanced Economies	**1.7**	**1.7**	**1.9**	**1.9**
United States	2.9	2.8	2.7	2.7
Euro Area	0.4	0.8	1.0	1.4
Japan	1.5	–0.2	1.1	0.8
United Kingdom	0.3	0.9	1.6	1.5
Canada	1.5	1.3	2.0	2.0
Other Advanced Economies	1.9	2.0	2.1	2.3
Emerging Market and Developing Economies	**4.4**	**4.2**	**4.2**	**4.3**
Emerging and Developing Asia	5.7	5.2	5.1	5.1
China	5.2	4.8	4.6	4.5
India	8.2	6.5	6.5	6.5
Emerging and Developing Europe	3.3	3.2	2.2	2.4
Russia	3.6	3.8	1.4	1.2
Latin America and the Caribbean	2.4	2.4	2.5	2.7
Brazil	3.2	3.7	2.2	2.2
Mexico	3.3	1.8	1.4	2.0
Middle East and Central Asia	2.0	2.4	3.6	3.9
Saudi Arabia	–0.8	1.4	3.3	4.1
Sub-Saharan Africa	3.6	3.8	4.2	4.2
Nigeria	2.9	3.1	3.2	3.0
South Africa	0.7	0.8	1.5	1.6
World Trade Volume (goods and services)	**0.7**	**3.4**	**3.2**	**3.3**
Advanced Economies	0.0	2.2	2.1	2.5
Emerging Market and Developing Economies	2.0	5.4	5.0	4.6
Commodity Prices				
Oil	–16.4	–1.9	–11.7	–2.6
Non-fuel	–5.7	3.4	2.5	–0.1
World Consumer Prices	**6.7**	**5.7**	**4.2**	**3.5**
Advanced Economies	4.6	2.6	2.1	2.0
Emerging Market and Developing Economies	8.1	7.8	5.6	4.5

Source *- IMF World Economic Outlook, January 2025*

Economic Outlook for Middle East and Central Asia

In the Middle East and Central Asia, growth is projected to pick up. This mainly reflects a 1.3% point downward revision to 2025 growth in Saudi Arabia, mostly driven by the extension of OPEC+ production cuts. In Latin America and the Caribbean, overall growth is projected to accelerate slightly in 2025 to 2.5%, despite an expected slowdown in the largest economies of the region. Growth in sub-Saharan Africa is expected to pick up in 2025, while it is forecast to slow down in emerging and developing Europe.

Outlook on World trade volume and Inflation

World trade volume estimates are revised downward slightly for 2025 and 2026. The revision owes to the sharp increase in trade policy uncertainty, which is likely to hurt investment disproportionately among trade-intensive firms. That said, in the

baseline, the impact of heightened uncertainty is expected to be transitory. Furthermore, the front-loading of some trade flows in view of elevated trade policy uncertainty, and in anticipation of tighter trade restrictions, provides some offset in the near term. Progress on disinflation is expected to continue. The gradual cooling of labor markets is expected to keep demand pressures at bay. Combined with the expected decline in energy prices, headline inflation is projected to continue its descent toward central bank targets. That said, inflation is projected to be close to, but above, the 2% target in 2025 in the United States, whereas inflationary dynamics are expected to be more subdued in the euro area. Low inflation is projected to persist in China. Consequently, the gap between anticipated policy rates in the United States and other countries becomes wider.

2. Overview of Indian Economy

India had surpassed the UK to become the world's fifth-largest economy and is now behind only the US, China, Japan and Germany. India's Gross Domestic Product (GDP) has reached USD3.9trn (trillion) in 2024 from around USD2.0trn in 2014.

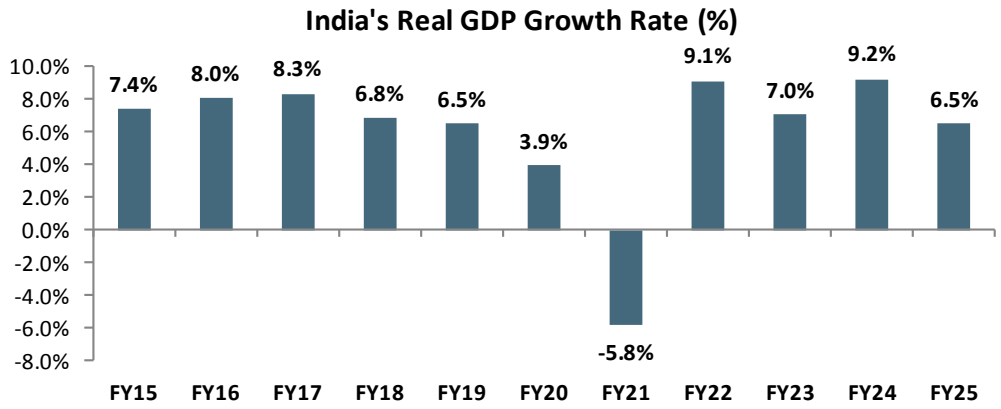
In its February 2025 bulletin, the Reserve Bank of India reported that India's economic activity is exhibiting sustained momentum, with high-frequency indicators suggesting a sequential increase in growth during the second half of FY25. Key metrics such as vehicle sales, air traffic, steel consumption, and GST e-way bills indicate that the economy is on course to continue its upward path. The bulletin highlights that rural demand is projected to increase, bolstered by strong agricultural performance. Urban demand is also set for a rebound, aided by declining inflation and a rise in disposable incomes following notable income tax relief in the Union Budget 2025-26. While the global economy is expanding at a moderate rate with varied growth prospects among countries, emerging market economies, including India, are encountering external vulnerabilities due to a strong US dollar. The dollar's strength, fueled by the robust US economy and changing trade policies, is leading to capital outflows from EMEs and raising risk premiums. Nonetheless, domestic demand is expected to gain from the recent repo rate cut by the RBI's Monetary Policy Committee, further enhancing economic activity and growth.

Gross Domestic Product (GDP)

According to the Second Advance Estimates of Annual Gross Domestic Product (GDP) for FY25 released by the National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI) on 28th February 2025, Real GDP or GDP at Constant (2011-12) prices in FY25 is estimated to attain a level of INR188.0trn, as against the Final Revised Estimate of GDP for FY24 of INR176.5trn.

Components of GDP						
Sl. No.	Domestic Product	Amount in INR Trillion			% change over previous year	
		2022-23	2023-24	2024-25	2023-24	2024-25
1	GVA at Basic Prices	148.8	161.5	171.8	8.6%	6.4%
2	Net Taxes on Products	12.9	15.0	16.2	16.5%	7.7%
3	Gross Domestic Product	161.6	176.5	188.0	9.2%	6.5%
4	Net Domestic Product	140.8	154.2	164.2	9.6%	6.5%
Expenditure Components						
5	Private Final Consumption Expenditure (PFCE)	93.8	99.1	106.6	5.6%	7.6%
6	Government Final Consumption Expenditure (GFCE)	15.4	16.7	17.3	8.1%	3.8%
7	Gross Fixed Capital Formation (GFCF)	54.4	59.2	62.8	8.8%	6.1%
8	Changes in Stocks (CIS)	2.0	3.1	3.2	53.4%	4.3%
9	Valuables	2.4	2.7	2.7	14.4%	1.0%
10	Exports	37.4	38.3	41.0	2.2%	7.1%
11	Imports	38.6	43.9	43.4	13.8%	-1.1%
12	Discrepancies	-5.2	1.5	-2.2	0.8%	-1.2%
13	**GDP**	**161.6**	**176.5**	**188.0**	**9.2%**	**6.5%**

Source: National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI)
Note: 2022-23 is Final Estimates, 2023-24 is First Revised Estimates and 2024-25 is Second Advance Estimates of National Income

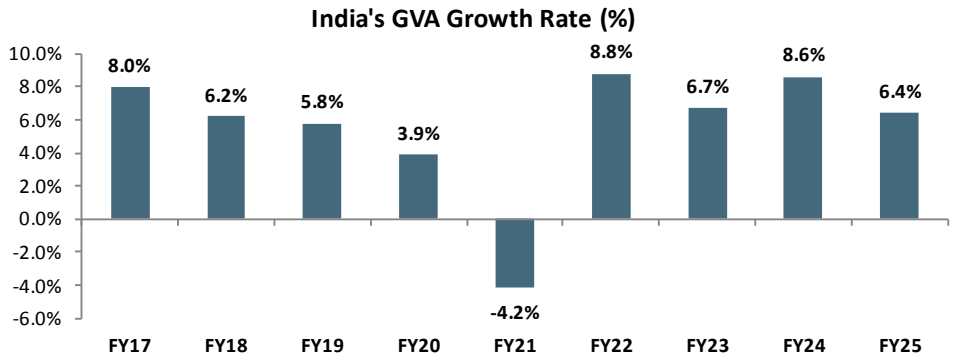


Source: NSO, RBI, FSIAPL
Note: FY24 is First Revised Estimates and FY25 is Second Advance Estimates of National Income

The growth rate of Real GDP during FY25 is estimated at 6.5% as compared to growth rate of 9.2% in FY24. The Indian economy likely picked up pace in the December 2024 quarter, fueled by strong agricultural output, a revival in rural demand and higher capital expenditure. However, external challenges such as a strong US dollar and global economic uncertainties, pose potential risks. Overall, the outlook remains optimistic, with policy measures and domestic factors expected to drive growth in the near term.

Gross Value Added (GVA)

According to the Second Advance Estimates of Annual Gross Domestic Product (GDP) for FY25 released by the National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI) on 28th February 2025, aggregate supply - measured by gross value added (GVA) at basic prices by economic activity (at 2011-12 Prices) expanded by 6.4% in FY25, as compared with a growth of 8.6% a year ago.



Source: NSO, RBI
Note: FY24 is First Revised Estimates and FY25 is Second Advance Estimates of National Income

GVA growth was driven by a construction sector which grew by 8.6% in FY25. Construction sector grew by a surge in investment, improved investor confidence and strong domestic demand conditions. Similarly, a robust increase in cement and steel production portends well for a sustained rise in construction activity. Aided by government interventions and increased demand for residential properties in tier-2 and tier-3 cities, the construction sector is capturing new markets. The strong thrust to infrastructure investment through initiatives like GatiShakti and National Infrastructure pipeline have also raised the demand for construction.

Components of GVA						
Sr. No.	Industry	Amount in INR Trillion			% change over previous year	
		2022-23	2023-24	2024-25	2023-24	2024-25
1	Agriculture, Livestock, Forestry and Fishing	23.1	23.7	24.8	2.7%	4.6%
2	Mining & Quarrying	3.2	3.3	3.4	3.2%	2.8%
3	Manufacturing	25.2	28.3	29.5	12.3%	4.3%
4	Electricity, Gas, Water Supply and other utilities	3.5	3.8	4.1	8.6%	6.0%
5	Construction	13.0	14.4	15.6	10.4%	8.6%
6	Trade, Hotels, Transport, Communication services	27.9	29.9	31.9	7.5%	6.4%
7	Financial, Real Estate & Professional Services	34.6	38.1	40.9	10.3%	7.2%
8	Public Administration, Defence &Other services	18.4	20.0	21.7	8.8%	8.8%
GVA at Basic Prices		**148.8**	**161.5**	**171.8**	**8.6%**	**6.4%**

Source: National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI)

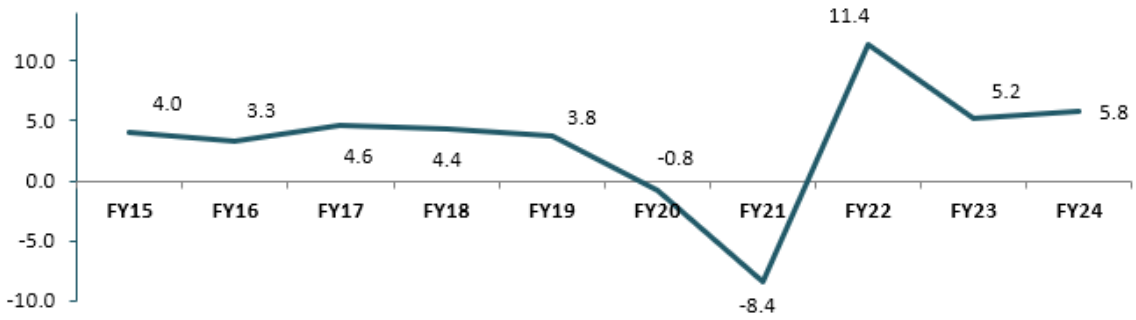
Note: 2022-23 is Final Estimates, 2023-24 is First Revised Estimates and 2024-25 is Second Advance Estimates of National Income

India's large domestic market, driven by strong consumption patterns, and its strategic positioning in the global supply chain diversification, further bolster its manufacturing prospects. The sector wise data of the (GVA) at basic prices by economic activity (at 2011-12 Prices) reveals the subdued performance of the agricultural sector. The agriculture and allied sectors are projected to grow by 4.6% in FY25, a significant recovery from the 2.7% growth recorded last year. Meanwhile, the construction sector and the financial, real estate, and professional services sectors are expected to post robust growth rates of 8.6% and 7.2%, respectively in FY25.

Industrial Growth trends

The Index of Industrial Production (IIP) is a composite indicator that measures the short-term changes in the volume of production of a basket of industrial products during a given period with respect to that in a chosen base period. IIP expanded by 5.8% during FY24 as compared with 5.2% in the previous year. Within the manufacturing sector, 13 of 23 industry groups recorded y-o-y expansion, led by transport equipment, motor vehicles and basic metals. In terms of the use-based classification, all categories recorded y-o-y expansion.

Yearly IIP Growth rate (%)



Source: MOSPI

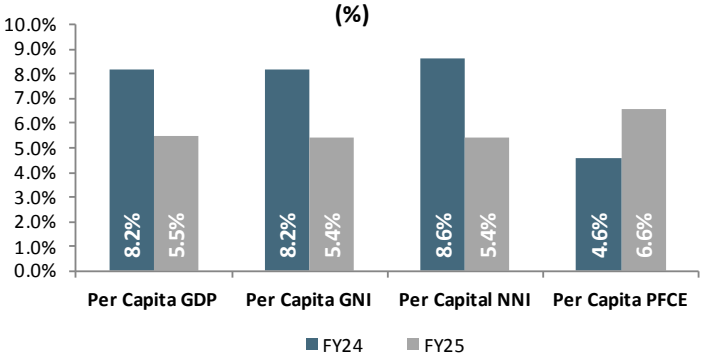
As per the data released by the Ministry of Statistics and Programme Implementation (MoSPI), India's industrial output measured by IIP grew by 3.2% in December 2024, from 5.2% in November 2024. The slowdown was largely due to weaker manufacturing activity, which grew 3.0% in December 2024 compared to 5.5% in November 2024. Among key sectors, mining output rose 2.6% against 1.9% in November 2024, while electricity generation expanded by 6.2% in December 2024, up from 4.4% in the prior month. A sector-wise breakdown showed that capital goods, a key indicator of investment demand, registered a robust 10.3% growth in December 2024 compared to 8.8% in November 2024. Infrastructure and construction goods, however, slowed to 6.3% growth in December 2024 from 8.1% in November 2024.

Per Capita GDP, Income and Final Consumption

According to the Second Advance Estimates of Annual Gross Domestic Product (GDP) for FY25 released by the National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI) on 28th February 2025, India's per capita gross domestic product (GDP) at Constant (2011-12) Prices grew by 8.2% to INR126,528 in FY24, while it increased by 5.5% to INR133,488 in FY25.

Per Capita Gross National Income (GNI) at Constant (2011-12) Prices increased by 8.2% in FY24, whereas it increased by 5.4% to INR131,544 in FY25. The per capita private final consumption expenditure (PFCE) at Constant (2011-12) Prices, that represents consumer spending, grew by 4.6% in FY24; while it increased by 6.6% to INR75,723 in FY25.

Growth in Per Capita GDP, Income and Final Consumption (%)



Source: NSO,MOSPI, FSIAPL

Note: FY24 is First Revised Estimates and FY25 is Second Advance Estimates of National Income

Second Advance Estimates of National Income for FY2025 (Amount in INR)

Particulars	2022-23 (FE)	2023-24 (FRE)	2024-25 (SAE)	Change in 2023-24 (%)	Change in 2024-25 (%)
Per Capita GDP (INR)	116,892	126,528	133,488	8.2%	5.5%
Per Capita GNI (INR)	115,261	124,764	131,544	8.2%	5.4%
Per Capital NNI (INR)	100,163	108,786	114,705	8.6%	5.4%
Per Capita PFCE (INR)	67,865	71,016	75,723	4.6%	6.6%

Source: NSO, MOSPI

Note: 2022-23 is Final Estimates, 2023-24 is First Revised Estimates and 2024-25 is Second Advance Estimates of National Income

Indian Economic Outlook FY26

An overview of the India's Macro Economic projections is given in the table below:

India - Economic Outlook FY26 (% change)	FY21	FY22	FY23	FY24	FY25	FY26f
Gross value added at FY12 prices	-4.1	9.4	6.7	7.2	6.4	6.6
- Agriculture	4.0	4.6	4.7	1.4	3.8	3.4
- Industry	-0.4	12.2	2.1	9.5	6.2	6.6
- Services	-8.4	9.2	10.0	7.6	7.2	7.4
Real GDP	-5.8	9.7	7.0	8.2	6.4	6.6
- Private final consumption expenditure (PFCE)	-5.3	11.7	6.8	4.0	7.3	6.9
- Government final consumption expenditure (GFCE)	-0.8	6.6	9.0	2.5	4.1	4.3
- Gross fixed capital formation (GFCF)	-7.1	17.5	6.6	9.0	6.4	7.2
Nominal GDP	-1.2	18.9	14.2	9.6	9.7	10.2
Average wholesale inflation	1.3	13.0	9.4	-0.7	2.7	2.8
Average retail inflation	6.2	5.5	6.7	5.4	4.9	4.3
Year-end interest rate (10-yr G-sec)	6.3	6.8	7.3	7.1	~6.6	~6.5
Average exchange rate (INR/USD)	74.2	74.5	80.4	82.8	84.2	86.9
Fiscal deficit (central government, % of GDP)	9.2	6.7	6.5	5.6	4.8	4.5
Current account deficit (% of GDP)	-0.9	1.2	2.0	0.6	1.0	1.1

Source: Union Budget, NSO, RBI, FSIAPL

Note: f - forecast, FY25 GVA and GDP numbers are as per NSO's First Advance Estimates

The lower GDP growth for FY25 at 6.4% has been the result of a cyclical slowdown in the Indian economy in the past three quarters. Other factors affecting the growth were the strong base effect, the general elections, the weak private sector capex and the monetary and fiscal tightening. FSIAPL estimates GDP growth to come in at 6.6% in FY26.

On the demand side, while the private final consumption expenditure (PFCE), government final consumption expenditure (GFCE), and exports have been pegged by the NSO to grow at 7.3%, 4.1% and 5.9%, respectively, in FY25, the gross fixed capital formation (GFCF) is expected to grow at 6.4%. Except GFCF, growth of all demand-side drivers has improved in FY25 over FY24, which is a positive feature of the latest GDP numbers. Despite the improvement in majority of demand-side drivers, the overall economic growth in FY25 will be lower than FY24, mainly due to discrepancies of negative INR 2.14trn compared to INR 1.29trn in FY24. Another reason for the slower GDP growth in FY25 is the four-year-low growth in net production taxes (production taxes net of subsidies). The net production taxes are estimated to grow 5.9% y-o-y in FY25.

On the supply side, agriculture is pegged to grow at 3.8% in FY25 due to the favourable monsoons. Industrial sector growth is likely to be down to 6.2% y-o-y in FY25 from 9.5% in FY24, owing to subdued growth in all sub-segments. The manufacturing sector growth (the largest sector within industry) is expected to slow down to 5.3% y-o-y in FY25 from 9.9% y-o-y in FY24. The other sectors namely mining, electricity & utility services and construction are expected to grow 2.9% y-o-y, 6.8% y-o-y and 8.6% y-o-y, respectively, during FY25, slower than FY24.

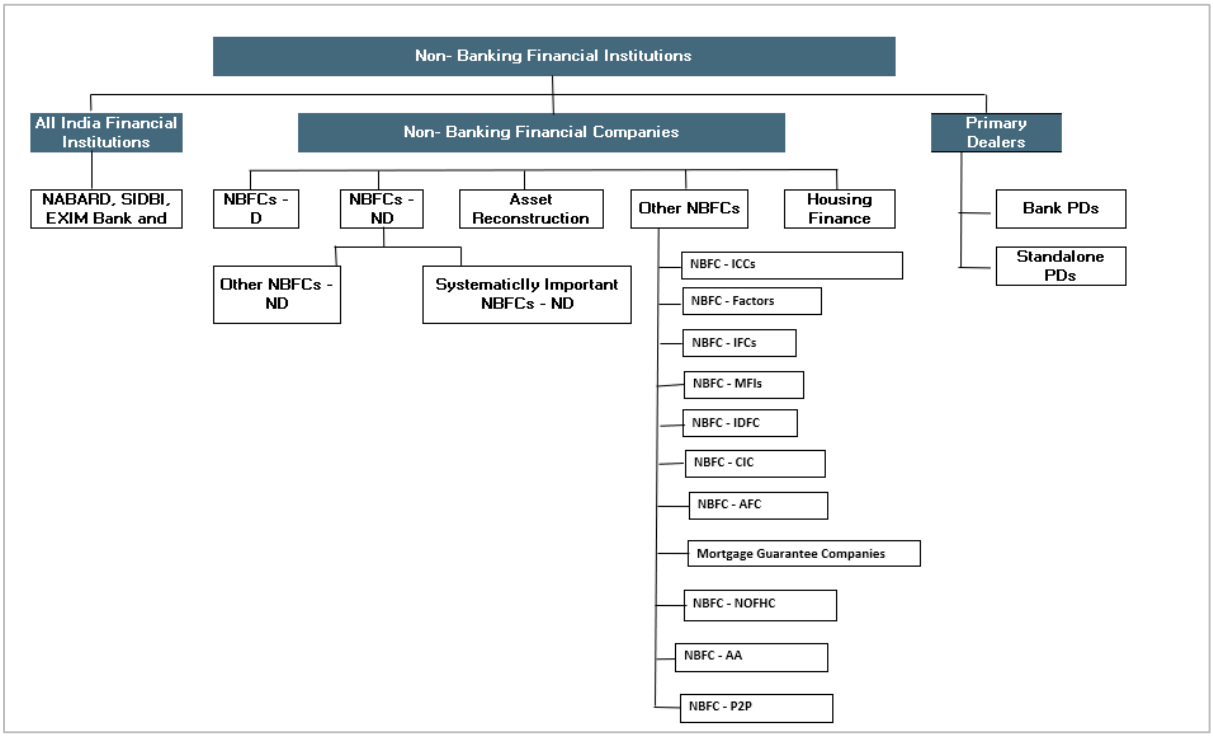
Services, the largest component of GVA, sustained its growth pace and grew 7.2% y-o-y in FY25. The leading growth driver was the 'public administration & other services' segment at 9.1% in FY25, as new-age services are beginning to gain some ground. Financial, real estate & professional services grew 7.3% y-o-y in FY25 and trade, hotels, transport and communication grew at 5.8%.

3. Overview of the NBFC Market in India

Introduction

Non-banking Financial Institutions (NBFIs) form an integral part of the Indian financial system by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises which form the cradle of entrepreneurship and innovation.

Structure of NBFIs under the Reserve Bank Regulation



Source: Reserve Bank of India

On the basis of liabilities, NBFCs are classified into two categories (i) NBFCs-Deposit taking (NBFCs-D) and (ii) NBFCs-Non-Deposit taking (NBFCs-ND). NBFCs-D are subject to requirements of capital adequacy, liquid assets maintenance, exposure norms (including restrictions on exposure to investments in land, building, and unquoted shares), Asset-liability management and reporting requirements. The NBFCs, depending upon its nature of business, are broadly categorized as loan companies, investment companies, infrastructure finance companies (IFCs), asset finance companies (AFCs), core investment companies (CIC), infrastructure debt funds (IDFC), micro finance institutions (MFIs). In 2018-19, three categories of NBFCs namely, AFCs, loan companies (LCs) and investment companies (ICs) were merged into a new category called investment and credit companies (ICCs) for harmonisation and operational flexibility. The regulatory and supervisory framework for NBFCs has been continuously strengthened in order to ensure their strong and healthy functioning, limit excessive risk-taking practices, and protect the interests of the deposit holders.

NBFCs are primarily governed by the RBI Act and the RBI Master Directions. NBFCs are permitted to operate in similar sphere of activities as banks; there are a few important and key differences. The most important distinctions are:

- An NBFC cannot accept deposits repayable on demand – in other words, NBFCs can only accept fixed term deposits. Thus, NBFCs are not permitted to issue negotiable instruments, such as cheques which are payable on demand; and
- NBFCs are not allowed to deal in foreign exchange, even if they specifically apply to the RBI for approval in this regard.

While an NBFC may be registered as a deposit accepting NBFC (NBFC-D) or as a non-deposit accepting NBFC (NBFC-ND), NBFCs registered with RBI are further classified as:

- **Investment and Credit Company:** The main business of these companies is lending and investment.
- **Systemically Important Core Investment Company (CIC-ND-SI):** A systematically important NBFC (assets INR1.0bn and above) which has deployed at least 90% of its assets in the form of investment in shares or debt instruments or loans in group companies is called CIC-ND-SI. Out of the 90%, 60% should be invested in equity

shares or those instruments which can be compulsorily converted into equity shares. Such companies do accept public funds.

- **Infrastructure Finance Companies (IFC):** A company which has net owned funds of at least INR3.0bn and has deployed 75% of its total assets in Infrastructure loans is called IFC provided it has credit rating of A or above and has a CRAR of 15%.
- **Infrastructure Debt Fund – NBFCs (IDF-NBFC):** An IDF-NBFC is a non-deposit taking NBFC that has Net Owned Fund of INR3.0bn or more and which invests only in Public Private Partnerships and post commencement operations date (COD) infrastructure projects which have completed at least one year of satisfactory commercial operation and becomes a party to a Tripartite Agreement.
- **NBFC - Micro Finance Institutions:** Microfinance companies are non-deposit taking firms that are entitled to provide loans up to INR50K to individuals coming under low-income group living in rural or semi-urban areas.
- **NBFC – Factors:** An NBFC-Factoring Company should have a minimum NOF of INR50.0mn and its financial assets in the factoring business should constitute at least 75% of its total assets and its income derived from factoring business should not be less than 75% of its gross income.
- **Mortgage Guarantee Companies:** Mortgage Guarantee Company acts as an insurance against defaults on loans by the homebuyer, thereby reducing the loan exposure and credit risks for the lender. Mortgage Guarantee Company is a financial institution for which at least 90% of the business turnover is mortgage guarantees or at least 90% of the gross income is from the mortgage guarantee business and whose net-owned funds is at least INR1000mn.
- **NBFC-Non-Operative Financial Holding Company (NOFHC):** For permitting promoter/ promoter groups of NBFCs to set up a new bank.
- **NBFC-Account Aggregator (NBFC-AA):** NBFC-AA engages in collecting and providing information about a customer's financial assets in a consolidated, organised and retrievable manner to the customer or others as specified by the customer.
- **NBFC–Peer to Peer Lending Platform (NBFC-P2P):** PBFC – P2P provides an online platform to bring lenders and borrowers together to help mobilise funds.
- **Housing Finance Companies (HFC):** HFC is another form of a non-banking financial company NBFC which primarily is engaged in the business of providing finance for housing.

Scale Based Classification of NBFCs

A four-layered scale-based approach to regulate NBFC in the country was introduced vide circular DOR.CRE.REC. No.60/03.10.001/2021-22 dated 22nd October 2021. RBI subsequently released Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 on October 19, 2023 which was recently updated on February 27, 2025 vide DOR.FIN.REC. No.45/03.10.119/2023-24. The direction states that NBFCs shall comprise of four layers based on their size, activity and perceived riskiness as mentioned below:

- NBFCs in the lowest layer shall be known as NBFCs-Base Layer (NBFCs-BL)
- NBFCs in middle layer shall be known as NBFCs-Middle Layer (NBFCs-ML)
- NBFCs in upper layer shall be known as NBFCs-Upper Layer (NBFCs-UL)
- The Top Layer is ideally expected to be empty and will be known as NBFCs-Top Layer (NBFCs-TL)

Base Layer - The Base Layer shall comprise of (a) non-deposit taking NBFCs below the asset size of INR1,000 crore and (b) NBFCs undertaking the following activities - (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFC not availing public funds and not having any customer interface.

Middle Layer - The Middle Layer shall consist of (a) all deposit taking NBFCs (NBFCs-D), irrespective of

asset size, (b) non-deposit taking NBFCs with asset size of INR1,000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealer (SPD), (ii) Infrastructure Debt Fund-Non-Banking Financial Company (IDF-NBFC), (iii) Core Investment Company (CIC), (iv) Housing Finance Company (HFC) and (v) Non-Banking Financial Company-Infrastructure Finance Company (NBFC-IFC).

Upper Layer - The Upper Layer shall comprise of those NBFCs which are specifically identified by the Reserve Bank as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor. On January 16, 2025, RBI released the list of NBFCs in the upper layer under scale-based regulation for NBFCs for the year FY25.

Sl. No.	Name of the NBFC	Category of the NBFC
1	LIC Housing Finance Limited	Deposit taking HFC
2	Bajaj Finance Limited	Deposit taking NBFC-ICC
3	Shriram Finance Limited	Deposit taking NBFC-ICC
4	Tata Sons Private Limited	Core Investment Company
5	Cholamandalam Investment and Finance Company Limited	Non-deposit taking NBFC-ICC
6	L&T Finance Limited (Formerly known as L&T Finance Holdings Limited)	Non-deposit taking NBFC-ICC
7	Mahindra & Mahindra Financial Services Limited	Deposit taking NBFC-ICC
8	Aditya Birla Finance Limited	Non-deposit taking NBFC-ICC
9	Tata Capital Limited	Non-deposit taking NBFC-ICC
10	Piramal Capital & Housing Finance Limited	Non-deposit taking HFC
11	PNB Housing Finance Limited	Deposit taking HFC
12	HDB Financial Services Limited	Non-deposit taking NBFC-ICC
13	Sammaan Capital Limited (Formerly known as Indiabulls Housing Finance Limited)	Non-deposit taking NBFC-ICC
14	Muthoot Finance Limited	Non-deposit taking NBFC-ICC
15	Bajaj Housing Finance Limited	Non-deposit taking HFC

Source: RBI

In terms of the framework, once an NBFC is classified as NBFC-Upper Layer, it shall be subject to enhanced regulatory requirement, at least for a period of five years from its classification in the layer, even in case it does not meet the parametric criteria in the subsequent year/s.

Top Layer - The Top Layer will ideally remain empty. This layer can get populated if the Reserve Bank is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer. Such NBFCs shall move to the Top Layer from the Upper Layer.

Categorization of NBFCs carrying out specific activity

As the regulatory structure envisages scale based as well as activity-based regulation, the following prescriptions shall apply in respect of the NBFCs.

- NBFC-P2P, NBFC-AA, NOFHC and NBFC not availing public funds and not having any customer interface will always remain in the Base Layer of the regulatory structure.
- NBFC-D, CIC, NBFC-IFC and HFC will be included in Middle Layer or the Upper Layer (and not in the Base layer), as the case may be. SPD and IDF-NBFC will always remain in the Middle Layer.

- The remaining NBFCs, viz., NBFC-Investment and Credit Companies (NBFCICCs), NBFC-Micro Finance Institutions (NBFC-MFIs), NBFC-Factors and Mortgage Guarantee Companies (MGCs) could lie in any of the layers of the regulatory structure depending on the parameters of the scale based regulatory framework.
- Government owned NBFCs shall be placed in the Base Layer or Middle Layer, as the case may be. They will not be placed in the Upper Layer till further notice.

References to NBFC-ND, NBFC-ND-SI and NBFC-D

From October 01, 2022, all references to NBFC-ND (i.e., non-systemically important non-deposit taking NBFC) shall mean NBFC-BL and all references to NBFC-D (i.e., deposit taking NBFC) and NBFC-ND-SI (systemically important non-deposit taking NBFC) shall mean NBFC-ML or NBFC-UL, as the case may be.

Classification in Middle Layer in case of Multiple NBFCs in a Group

- NBFCs that are part of a common Group or are floated by a common set of promoters shall not be viewed on a standalone basis. The total assets of all the NBFCs in a Group shall be consolidated to determine the threshold for their classification in the Middle Layer.
- If the consolidated asset size of the NBFCs in the Group is INR1000 crore and above, then each NBFC-ICC, NBFC-MFI, NBFC Factor and MGC lying in the Group shall be classified as an NBFC in the Middle Layer and consequently, regulations as applicable to the Middle Layer shall be applicable to them. However, NBFC-D, within the Group, if any, shall also be governed under the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Direction, 2016.
- Statutory Auditors are required to certify the asset size (as on March 31) of all the NBFCs in the Group every year. The certificate shall be furnished to the Department of Supervision of the Reserve Bank under whose jurisdiction the NBFCs are registered.
- Provisions contained above shall not be applicable for classifying an NBFC in the Upper Layer.

Criteria for deciding NBFC-Middle Layer status.

- Once an NBFC reaches an asset size of INR1,000 crore or above, it shall be subject to the regulatory requirements as per Section III of these Directions, despite not having such assets as on the date of last balance sheet. All such non-deposit taking NBFCs shall comply with the regulations/directions issued to NBFCs-ML from time to time, as and when they attain an asset size of INR1,000 crore, irrespective of the date on which such size is attained.
- In a dynamic environment, the asset size of a NBFCs can fall below ₹1,000 crore in a given month, which may be due to temporary fluctuations and not due to actual downsizing. In such a case the NBFC shall continue to meet the reporting requirements and shall comply with the extant directions as applicable to NBFC-ML, till the submission of its next audited balance sheet to the Reserve Bank and a specific dispensation from the Reserve Bank in this regard.

<u>Regulatory revisions applicable to all layers of NBFCs under Scale Based Regulations</u>

1) **Raising minimum Net Owned Fund (NOF) for certain NBFCs:** The regulatory minimum net-owned fund for finance companies acting as NBFC – ICC, NBFC- MFI and NBFC – Factors will be increased to INR 10 crore. The RBI has set a three-year glide path for the existing NBFCs to achieve the net-owned funds (NOF) of INR 10 crore by 31st March 2027. The following glide path is provided for the existing NBFCs:

NBFCs	Current NOF	By 31st March 2025	By 31st March 2027
NBFC-ICC	INR 2 crore	INR 5 crore	INR 10 crore
NBFC-MFI	INR 5 crore (INR2 crore in NE Region)	INR 7 crore (INR 5 crore in NE Region)	INR 10 crore
NBFC-Factors	INR 5 crore	INR 7 crore	INR 10 crore

Source: RBI's 'Scale Based Regulation: A Revised Regulatory Framework for NBFCs' circular dated 22nd Oct 2021

However, for NBFC-P2P, NBFC-AA, and those with no public funds and no customer interface, the NOF shall continue to be INR 2 crore. NBFCs failing to achieve the prescribed level within the stipulated period shall not be eligible to hold the Certificate of Registration (CoR) as NBFCs.

2) **Harmonizing Non-Performing Assets (NPA) classification norms:** The RBI has revised existing norms for classifying loans as non-performing assets (NPAs). The extant NPA classification norm stands changed to the overdue period of more than 90 days for all categories of NBFCs. A glide path is provided to NBFCs in Base Layer to adhere to the 90 days NPA norm as under –

NPA Norms	Classification
>150 days overdue	By March 31, 2024
>120 days overdue	By March 31, 2025
> 90 days	By March 31, 2026

Source: RBI's 'Scale Based Regulation: A Revised Regulatory Framework for NBFCs' circular dated 22nd Oct 2021

The glide path will not be applicable to NBFCs which are already required to follow the 90-day NPA norm. The central bank has provided a three-year transit period to NBFCs in the base layer to adhere to the revision. NBFCs in middle and upper layers have to make a thorough internal assessment of the need for capital, commensurate with the risks in their business. NBFCs in the upper layer will have to have a common equity tier-1 capital of at least 9% to enhance the quality of regulatory capital. In addition to the CRAR, the upper layer NBFCs will also be subjected to leverage requirements to ensure that their growth is supported by adequate capital. A suitable ceiling for leverage will be prescribed subsequently as and when necessary.

3) **Experience of the Board:** At least one of the directors in the Board of Directors should have relevant experience of having worked in a Bank/NBFC. This is a requirement for all NBFCs.

4) **Ceiling on Initial Public Offer (IPO) funding**: A limit of INR1 crore per borrower has been set for financing subscription to IPOs (earlier NBFCs had no ceiling on an IPO funding). Ceiling on an IPO funding has been made applicable from 1st April 2022.

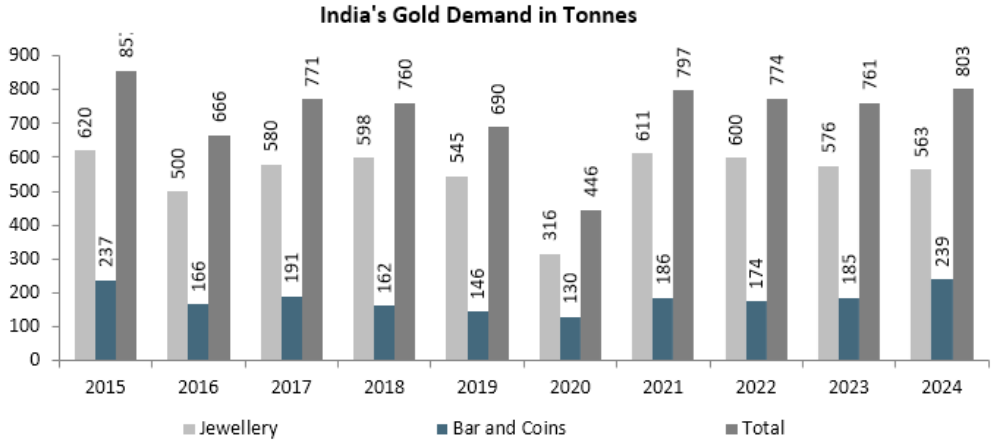
4. Evolution of Gold Loan Market in India

Introduction

Gold has long been a valued commodity, historically regarded as among the most liquid assets and accepted universally as a currency since time immemorial. In India, Gold has traditionally been consumed by individuals in the form of jewellery – it is considered auspicious to buy gold jewellery during festive seasons - and handed down generations as family wealth. Gold is considered to be a safe haven in times of economic uncertainty.

Gold Demand in India (2013-2024)

India is one of the largest markets for gold and growing affluence is driving growth in demand. Gold has a central role in the country's culture, considered a store of value, a symbol of wealth and status and a fundamental part of many rituals. Aside from Diwali, one of the most important dates in the Indian calendar, regional festivals across the country are celebrated with gold: in the south, Akshaya Tritiya, Pongal, Onam and Ugadi; in the east, Durga Puja; in the west, Gudi Pavda; in the north, Baisakhi and Karva Chauth. Two-thirds of India's gold demand came from rural areas, where jewellery is a traditional store of wealth. The chart given below depicts the trend of India's gold demand (in tonnes) from 2015-2024.

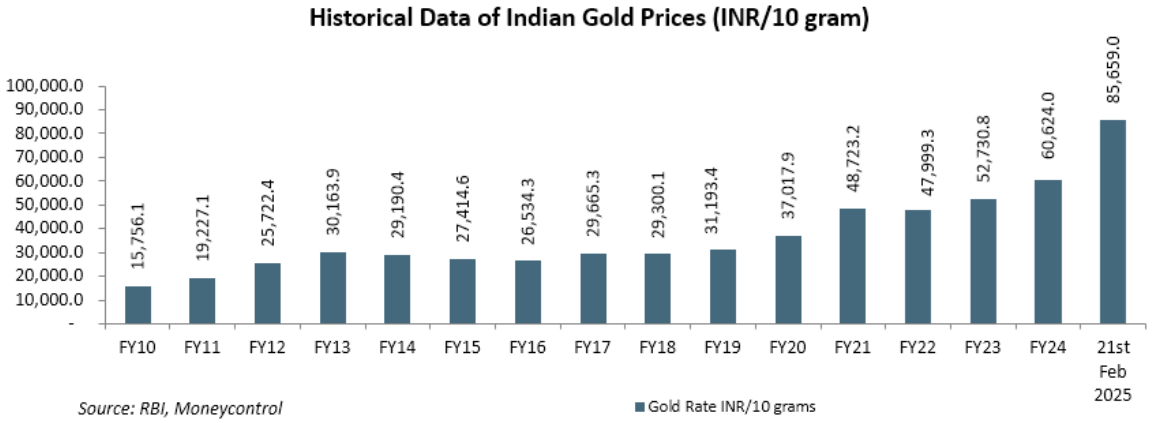


Source: World Gold Council

As per World Gold Council (WGC), Gold demand in India witnessed a 5% year-on-year rise at 803 tonnes in 2024 supported by reduction in import duty, and purchases related to weddings and festivals, and going ahead consumption of gold in 2025 is likely to be between 700-800 tonnes. In this year, gold has surged ~INR7,500 or ~9.5-10.0% to INR87,000 per 10 grams in February 2025 from INR79,400 per 10 grams on 1st January 2025. The total jewellery demand, in terms of volume, decreased by 2% to 563 tonnes in 2024, despite the gold price reaching multiple record highs. This indicates the resilience of gold jewellery demand in India and highlights the effect of the duty cut in July 2024 as well as India's stronger economic growth compared to many other markets. There was consistent ETF demand throughout the year, and the festival period of Dhanteras and Diwali in October/November stimulated buying in the final quarter of 2024. This was further enhanced in major metropolitan cities by e-commerce platforms offering rapid delivery of small gold investment bars and coins. It is anticipated that the trend of robust gold investment demand will continue, with retail investors showing growing interest in gold ETFs, digital gold, and coins and bars.

Gold Price Movement in India

Gold prices in India have been showing an overall upward trend since the last 3 decades. There was a steady increase in the prices of gold from FY10 to FY13. From FY14 to FY16, there was a decline in gold prices owing to geopolitical stability, low oil prices, low inflation and strong growing equity market. During this period, gold lost its attractiveness to investors either from a capital appreciation perspective as a hedge against inflation or as a safe haven, causing a significantly reduced demand.



However, from FY17 to FY19, gold prices started to surge to the pre-FY13 levels, further increasing to INR37,017.9 per 10 gram in FY20 and INR 48,732.2 per 10 gram in FY21. Gold prices crossed INR 50,000 per 10 gram in FY23 and INR 60,000 per 10 gram in FY24. It is currently at INR 85,659.0 per 10 grams as of 21st February 2025.

Gold prices rallied in February 2025 as concerns over US President Donald Trump's tariff policies fueled safe-haven demand. Investors turned to bullion amid fears of a potential global trade war. Key factors driving gold prices currently are as follows:

i. **US tariff uncertainty:** Trump has imposed a 10% tariff on Chinese imports and a 25% tariff on steel and aluminum. He recently announced that additional tariffs on lumber, cars, semiconductors, and pharmaceuticals would be introduced within a month, intensifying trade war fears.

ii. **Inflation and Fed policy:** Minutes from the latest Federal Reserve meeting revealed concerns about rising inflation due to Trump's trade policies. While the Fed remains cautious about rate cuts, the prospect of persistent inflation is keeping investors bullish on gold.

iii. **Strong central bank buying:** Central banks continue to increase their gold reserves, while gold ETFs are shifting from net sellers to marginal buyers, further supporting prices.

iv. **Safe-haven demand:** Gold remains a preferred hedge against geopolitical risks, with ongoing conflicts and economic instability driving demand.

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 jewelleries. 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 at a broader level, there are mainly two categories of gold loan providers:

(i) Formal sector (Banks, NBFCs and cooperatives)
(ii) Informal sector (local moneylenders).

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 de-facto choice. Meanwhile, from the beginning of 2013, gold prices reduced drastically globally. With the pledged gold having lower market value, customers walked away from the loans resulting in increased Non-Performing Assets (NPAs).

The gold loan industry was also subsequently impacted by demonetization in 2016 when cash crunch in the market led to immediate shortfall in business. However, digital eco-system is now leading to increased credibility and tilting scales of gold loan business in favor of the specialized gold loan NBFCs. Alongside, the introduction of GST in 2017 has also impacted the market. In the pre-GST era, the taxation on gold was 1% excise duty, along with a VAT of 1-1.5%, totaling to 2.0% tax. GST rates on gold have now been pegged to 3%. This is in addition to an import duty of 7.5% and 3% GST on making charges.

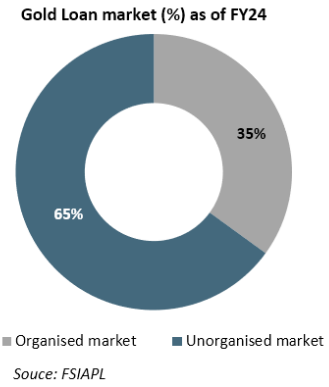
In order to stabilize the proliferation and books of gold loan NBFCs, RBI intervened and released certain guidelines:

- Removal of Priority Sector Lending (PSL) status. This immediately resulted in substantially higher borrowing cost.
- Restricted credit exposure to single gold NBFC to 7.5% from 10% resulting in lower bank funding.
- Prohibition of grant of loans against bullion and gold coins.

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. Gold loans will benefit not just from the demand side but supply-side dynamics too as many banks and non-banking institutions target this product segment on account of its acceptable risk profile. Borrowers had benefited from higher loan value for the same collateral while lenders have benefited from lower LTV ratios on their existing loans and higher demand. 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.

Gold Loan NBFCs in India

Till the last century, most of the lending was in the unorganized sector through pawnbrokers and money lenders. However, this scenario has changed over the last two decades post India's economic liberalization and financial sector reforms, and the organised sector has become more dominant. Buoyed by the spurt in gold prices during the last decade, organised lenders grew during the period FY09 to FY12. However, correction in gold prices in FY13, adverse regulatory scenario, restrictions on offering high LTV products, and increase in competition intensity has seen gold loan industry's AUM stagnating. This is also reflected in the stagnating portfolio of gold loan NBFCs.

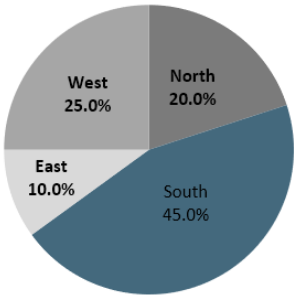


The total Gold loan industry AUM stood at approximately INR22,018.6bn in FY24, out of which approximately 35% accounted for organised market. India's unorganised gold loan market is estimated to be around 65% of the total gold loan market. There are no official estimates available on the size of this market, which is characterised by the presence of numerous pawnbrokers, moneylenders and

landlords operating at a local level. However, this market is believed to be almost double the size of organised gold loans market.

The demand for gold has a regional bias with southern Indian states accounting for around 45.0% of the annual demand. There is potential to expand gold loans market to the Northern and Western regions of India, provided the branch network is expanded and the loans are available with ease and with flexible options. The prevalence of high level of rural indebtedness, easy availability of gold loans on extremely flexible terms, relative scarcity of personal and retail loans from the banks and changing attitude of customers to gold loans will contribute to the growth in the gold loan AUM to newer regions. Many Gold loan companies are reducing their geographical concentration risk and gradually shifting their focus to northern and western region over the last 3 years.

Regional Gold Loan Demand (FY24)

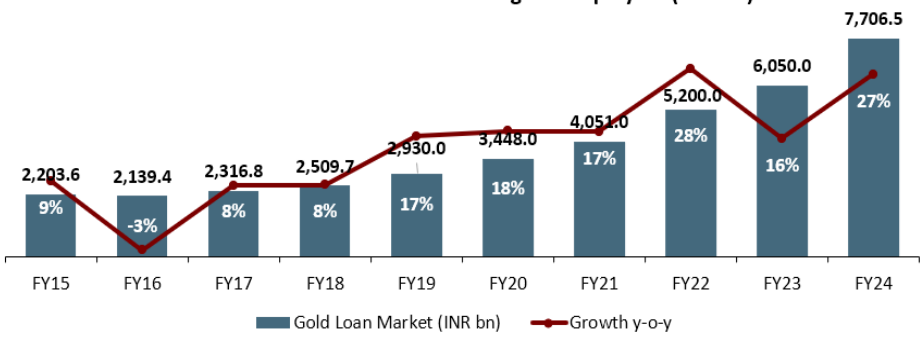


Souce: FSIAPL

Growth in Gold Loans market of Organized Players in the Last 5 Years

As per WGC report, the organized gold loan industry is around 35% and unorganized industry is around 65%. The total gold loan industry AUM stood at INR22,018.6bn in FY24, out of which approximately 35% valuing INR7,706.5bn accounted for organised market.

Indian Gold loan market size of organised players (INR bn)



Source: FSIAPL

NBFCs were marked by slowdown and weakening competitive positioning during FY12 and FY15 owing to withdrawal of eligibility for NBFCs under priority sector lending, RBI putting a ceiling on LTV ratio that could be given out by NBFCs at 60%, as against 75% for banks and RBI norms for conducting gold loan auctions. Indian Gold loan market of organised players has increased at a CAGR of 15% from INR2,203.6bn in FY15 to INR7,706.5bn in FY24 owing to increase in gold prices, good monsoon and favourable macroeconomic factors. During this period, NBFCs' focused on improving the business per branch, undertook aggressive marketing and diversified into new regions.

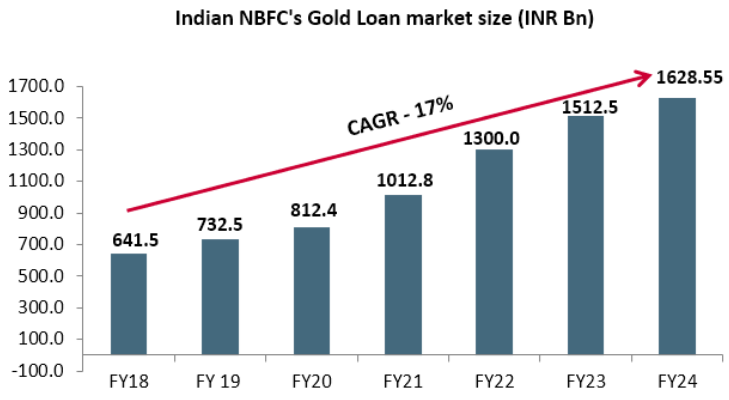
Overview of some operational parameters of organized players is provided below:

Parameters	Gold Loan NBFCs	Banks	Money Lenders
Loan to Value	Upto 75%	Upto 75%	Higher than 75%
Penetration	Highly peneterated	Not highly peneterated. Selective branches	Highly peneterated
Interest Charges	Around 15-25% p.a	Around 8-18% p.a	Usually in the range of 30-50% p.a.
Regulatory Body	RBI	RBI	Not regulated
Processing Fees	No/Minimal processing fees	Higher than NBFCs	Nil
Documentaion	Minimal, Govt. ID proof	Complete KYC compliance	Nil or minimal
Customer Service	High-Gold Loan is core focus	Non- core focus	Core focus
Repayment Structure / Flexibility	Flexible. No pre-payment charges	EMI based. Pre-payment penalty is charged.	One time
Model of Disbursal	Cash, Cheque/Electronic Transfer (Cash upto INR20,000/-)	Cheque, Electronic Transfer	Cash
Working Hours	Open beyond banking hours	Typical Banking Hours	Open beyond banking hours
Fixed Office Space	Branch with dedicated staff for gold loans	Bank branches	No fixed place
Turn Around Time	Around 10 minutes	1-2 hours	More than 10 minutes

Source: Industry Sources, FSIAPL

Growth in Gold Loans market of NBFCs (Gold Loan) in the Last 6 Years

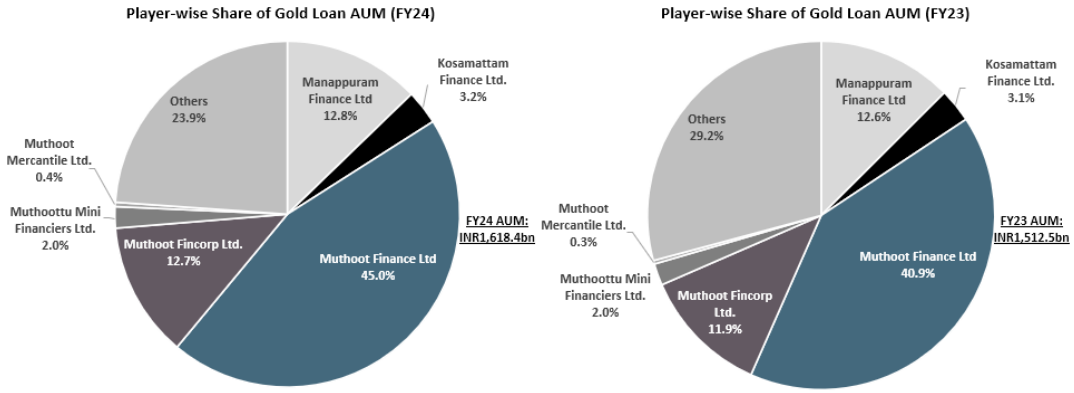
The gold loan AUM of NBFCs grew at a CAGR of 17% between FY18 and FY24. NBFCs witnessed a decline in gold loan AUM between FY12 and FY14, as RBI's regulations curbed the performance as mentioned earlier. However, due to NBFCs flexible loan offerings and quicker disbursement time helped them to grow their gold loan AUM from INR641.5bn in FY18 to INR1628.6bn in FY24.



Source: FSIAPL

Gold Loan NBFCs AUM further mainly due to geographic expansion, rise in gold prices and higher marketing expenditure undertaken by players in order to improve product awareness and build brand identity. NBFCs and banks approach the gold loan market differently, which is reflected in their interest rates, ticket sizes and loan tenures. NBFCs focus more single-mindedly on the gold loans business and have accordingly built their service offerings by investing significantly in manpower, systems, processes and branch expansion. This has helped them attract and serve more customers.

Percentage share of organized players in Gold Loan market during the last 2 years is provided below:



Source: Company Annual Reports, Credit Rating Reports, FSIAPL

Within the Gold Loan NBFCs, Muthoot Finance Ltd., Manappuram Finance Ltd. and Muthoot Fincorp Ltd. are the largest players accounting for 70.5% of the gold loan portfolio as of FY24.

Muthoot Finance Ltd. holds the highest share of 45.0% in the gold loan market among Gold Loan NBFCs in India as of FY24. Manappuram Finance Ltd. has witnessed a growth of 8.9% in Gold AUM from INR190.0bn in FY23 to INR207.0bn in FY24. Kosamattam Finance Ltd. had growth of 9.6% in Gold AUM from INR47.5bn in FY23 to INR52.0bn. Muthoot Finance Ltd. has witnessed growth of 17.8% in Gold AUM from INR619.0bn in FY23 to INR729.0bn in FY24. Muthoot Fincorp Ltd. has witnessed growth of 14.2% in Gold AUM from INR179.4bn in FY23 to INR204.8bn in FY24. Muthoottu Mini Financiers Ltd. had a growth of 5.6% in Gold AUM from INR30.5bn in FY23 to INR32.2bn in FY24. Muthoot Mercantile Ltd. has seen a substantial increase of 26.1% in its Gold AUM from INR4.9bn in FY23 to INR6.2bn in FY24. Muthoottu Mini Financiers Ltd. holds 2.0% share in the gold loan market among Gold Loan NBFCs in India as of FY24.

5. Key Growth Drivers for Gold Loan

Gold financing companies form an integral part of the Indian financial system. It plays an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the MSMEs, which form the cradle of entrepreneurship and innovation. NBFCs' ground-level understanding of their customers profile and their credit needs gives them an edge, as does their ability to innovate and customise products as per their clients' needs. This makes them the perfect conduit for delivering credit to lower-income group people and MSMEs. Gold loan as a credit product is not a new phenomenon in the country; it is only in the recent past that Indians have started losing their inhibitions over pledging their family heirlooms to mainstream commercial lenders and leveraging multiple benefits, such as instant credit, flexible schemes, lower interest rates and minimal paperwork without the hassles of rigid credit appraisal. As banks and NBFCs offer gold loans at interest rates much lower than those of informal moneylenders; they have successfully targeted 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 traditional banking products are not accessible to rural and lower-income groups as those products are to relatively higher-income groups. Credit scores would undermine one's effort to get normal loans during distress periods. This is the situation faced by a large portion of the Indian population engaged in farming and rural employment. Gold loans offer a viable solution in this situation since, gold loans are fully

securitized, lenders have the option to recoup the full principle amount (in most cases) if the borrower defaults - hence, there is no need for extensive checks on borrower's previous repayment records. The relative ease in obtaining a loan approval has boosted the popularity of gold loans.

Rising consumerism in rural areas

WGC estimates that about 65% of the Indian household gold belongs to rural communities, who are the biggest purchasers of gold loan. Unpredictability of the rain and harvest season means farmers become cash-strapped frequently. For them, unlocking value of their household gold is the easiest way to meet their financial obligations. Consumption growth in rural India had outpaced urban spending by the widest margin in last decade, encouraged by relatively good rainfall and an increase in government spending on infrastructure. However, the year 2019 witnessed a slowdown in the rural market due to factors such as liquidity crunch, drop in gross domestic product (GDP), floods in several parts, weakened household spending, high food inflation due to spike in milk and onion prices impacted consumer wallet in rural regions. The rural consumption was back on high single digit growth in FY20, helped by factors including government spending in infra projects and increased rural spending. 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 7.5-20% per annum. In recent, gold loan is becoming a word of mouth whether it is Tier1, Tier2 or Tier 3 cities – people are turning more towards depositing gold with banks and NBFCs because it is one of the easiest ways to avail money. The overall process to avail gold loans has become more formal and transparent with an entry of organized financial players. Further, gold is a secured asset and there is no requirement of any additional collateral but; however, to avail home loans & personal loans, one need to show income certificates, bank statements & income tax returns. One good thing about gold loan is that it can be used for any purpose so more and more people are migrating towards this loan. It is not only the rural communities who are willing to put household jewellery in the market – acceptance towards using family gold for financial needs is increasing in the relatively untapped urban market. 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 minutes. A good number of loans do not have fixed Equated Monthly Instalment (EMI) facility - only the interest needs to be paid on a monthly basis while the principle should be paid at the end of the tenure. The ability to choose product features (repayment scheme, tenure) has facilitated increased gold loan penetration.

Untapped opportunities in the non-south regions

Since ages, most of 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. The gold loan market is expected to demonstrate high growth potential as banks are becoming more selective and stringent in credit disbursement. The emergence of the online and digital models in the gold loan space by NBFCs and new-age FinTech players that offer gold loans at the customers' doorstep have opened up an untapped market for gold loan companies.

Lower default rates

There is very low NPA in gold loans. A low default rate is the reason why many formal institutions have comfortably entered the gold loan space. Default rates typically are between 1-2% which is much lower than other traditional financial products offered by financial institutions. This makes gold loan attractive product for organised players.

Development of online gold loan market

Many new age fintech companies and 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. Gold loan companies have come up with various operating models like visiting customer's residence, allowing customers to place their gold within the NBFC's vault after which customers have the option to pledge this gold via online channels and receive funds directly to their bank accounts.

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. Further, NBFCs have started targeting MSME segment for the OGL as they are not very comfortable visiting gold loan offices for their finance requirements.

6. Regulatory Measures Impacting the Gold Loan Market in India

NBFCs primarily engaged in lending against gold jewellery (such loans comprising 50% of more of their financial assets) shall maintain a minimum Tier 1 capital of 12% of aggregate risk weighted assets of on-balance sheet and of risk adjusted value of off-balance sheet items. The Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Updated as on February 27, 2025) have issued guidelines with regard to the following:

Verification of the Ownership of Gold: Where the gold jewelry pledged by a borrower at any one time or cumulatively on loan outstanding is more than 20 grams, NBFCs shall keep a record of the verification of the ownership of the jewelry. The ownership verification need not necessarily be through original receipts for the jewelry pledged but a suitable document shall be prepared to explain how the ownership of the jewelry has been determined, particularly in each and every case where the gold jewelry pledged by a borrower at any one time or cumulatively on loan outstanding is more than 20 grams. Also, NBFCs shall have an explicit policy in this regard as approved by the Board in their overall loan policy.

Safety and security measures to be followed by NBFCs lending against collateral of gold jewellery:

NBFCs, which are in the business of lending against collateral of gold jewellery, shall ensure that necessary infrastructure and facilities are put in place, including safe deposit vault and appropriate security measures for operating the vault, in each of its branches where gold jewellery is accepted as collateral. This is required to safeguard the gold jewellery accepted as collateral and to ensure convenience of borrowers. No new branch/es shall be opened without suitable arrangements for security and for storage of gold jewellery, including safe deposit vault.

Standardization of Value of Gold in Arriving at the Loan to Value Ratio: The gold jewellery accepted as collateral by the NBFC shall be valued by taking into account the preceding 30 days' average of the closing price of 22 carat gold as per the rate as quoted by the Bombay Bullion Association Ltd. (BBA) or the historical spot gold price data publicly disseminated by a commodity exchange regulated by the Forward Markets Commission. If the purity of the gold is less than 22 carats, the NBFC shall convert the collateral into 22 carat and state the exact grams of the collateral. In other words, jewellery of lower purity of gold shall be valued proportionately. NBFC, while accepting gold as collateral, shall give a certificate to the borrower on their letterhead, of having assayed the gold and state the purity (in terms of carats) and the weight of the gold pledged.

NBFCs may have suitable caveats to protect themselves against disputes during redemption, but the certified purity shall be applied both for determining the maximum permissible loan and the reserve price for auction.

Prior Approval of RBI for Opening Branches in Excess of 1,000: It is mandatory for NBFC to obtain prior approval of the RBI to open branches exceeding 1,000. However, NBFCs which already have more than 1,000 branches may approach the Bank for prior approval for any further branch expansion. Besides, no new branches will be allowed to be opened without the facilities for storage of gold jewellery and minimum-security facilities for the pledged gold jewellery.

Auction Process and Procedures: The following additional stipulations are made with respect to auctioning of pledged gold jewellery:

- The auction should be conducted in the same town or taluka in which the branch that has extended the loan is located. NBFCs can however pool gold jewellery from different branches in a district and auction it at any location within the district, subject to meeting the following conditions:
    - The first auction has failed.
    - The NBFC shall ensure that all other requirements of the extant directions regarding auction (prior notice, reserve price, arms-length relationship, disclosures, etc.) are met.
    - Non-adherence to the above conditions will attract strict enforcement action.
- While auctioning the gold the NBFC must declare a reserve price for the pledged ornaments. The reserve price for the pledged ornaments shall not be less than 85% of the previous 30-day average closing price of 22 carat gold as declared by the Bombay Bullion Association Ltd. (BBA), or the historical spot gold price data publicly disseminated by a commodity exchange regulated by the Forward Markets Commission and value of the jewellery of lower purity in terms of carats shall be proportionately reduced.
- It will be mandatory on the part of the NBFCs to provide full details of the value fetched in the auction and the outstanding dues adjusted and any amount over and above the loan outstanding should be payable to the borrower.
- NBFCs must disclose in their annual reports the details of the auctions conducted during the financial year including the number of loan accounts, outstanding amounts, value fetched and whether any of its sister concerns participated in the auction.

Other Instructions:

- NBFCs financing against the collateral of gold must insist on a copy of the PAN Card of the borrower for all transaction above INR0.5mn
- Documentation across all branches must be standardized.
- NBFCs shall not issue misleading advertisements like claiming the availability of loans in a matter of 2-3 minutes.

Guidelines proposed for Gold Loan companies on settling the outstanding debt in case of death of the borrower, communicating terms and conditions in local languages, process to refund surplus from the auction of gold:

RBI had set up a six-member committee in May 2022, headed by former Deputy Governor Mr. BP Kanungo to examine and review customer services in regulated entities with an aim to protect the interests of customers. On June 05, 2023, Mr. BP Kanungo proposed a list of recommendations to improve customer service standards in regulated entities as follows:

- The committee recommends that in case of the death of the borrower, a notice may be served to the nominee or legal heir to settle the outstanding and keep the same on record before auctioning the pledged gold. Accountability may be fixed for non-adherence to the due notification process prior to the auction of gold. For facilitating this, the gold loan companies may be required to register nominees while extending loans.

- The committee highlights circumstances leading to the auction of gold, and the requirement of a notice period should mandatorily be a part of gold loan companies' fair practices code and the loan agreement. Regulated entities shall record the acknowledgement receipt of the notice before scheduling an auction of gold.
- A large volume of gold loan accounts belongs to middle and low-income households and rural population. Hence, the committee recommends that the lender should communicate the terms and conditions to the borrowers in local and regional languages. Recording of oral communication, if any, must be preserved.
- The committee suggests that the loan agreement should incorporate the time limit (maximum one month) within which the surplus, if any, from the auction of gold would be refunded to the customers, failing which the company should be required to pay interest, as may be stipulated by the RBI. Surplus from the auction of gold must be credited to the account of the borrower.

Details of other key guidelines impacting the gold loan market in India are provided below:

Loan to Value Ratio (LTV)

LTV ratio describes the size of a loan which is taken out compared to the value of the asset securing the loan. Lenders and others use LTVs to determine how risky a loan is. A higher LTV ratio suggests more risk because the assets behind the loan are less likely to pay off the loan as the LTV ratio increases. The LTV ratio has been capped at 75% for traditional banks and NBFCs. RBI regulations state that - gold jewellery accepted as security/collateral will have to be valued at the average of the closing price of 22 carat gold for the preceding 30 days as quoted by the India Bullion and Jewellers Association Ltd. If the gold is of purity less than 22 carats, the collateral should be translated into 22 carat value and exact grams need to be valued. Loan against bullion, units of Exchange-Traded Fund (ETF) and units of gold mutual funds is not permitted. This standardisation and increased transparency of LTV calculations across the organised sector has meant healthy businesses for NBFCs.

RBI directions on lending against security of single product-gold jewellery

As per RBI directions all applicable NBFCs should follow the below mentioned directives:

i. NBFCs shall maintain a Loan-to-Value (LTV) Ratio not exceeding 75% for loans granted against the collateral of gold jewellery; provided that the value of gold jewellery for the purpose of determining the maximum permissible loan, amount shall be the intrinsic value of the gold content therein and no other cost elements shall be added thereto.
ii. NBFCs shall disclose in their balance sheet the percentage of such loans to their total assets.
iii. NBFCs shall not grant any advance against bullion / primary gold and gold coins. NBFCs shall not grant any advance for purchase of gold in any form including primary gold, gold bullion, gold jewellery, gold coins, units of Exchange Traded Funds (ETF) and units of gold mutual fund.

Know Your Customer (KYC)

The RBI KYC directions are applicable to NBFCs, and RBI has advised all NBFCs to adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place. The KYC policies are required to have certain key elements, including, customer acceptance policy, customer identification procedures, monitoring of transactions and risk management, diligence of client accounts opened by professional intermediaries, customer due diligence and diligence of accounts of politically exposed persons, adherence to RBI KYC directions and the exercise of due diligence by persons authorised by the NBFC, including its brokers and agents.

For verification purposes, a customer needs to submit the following: government issued identity proof (passport, PAN card, voter's ID or driving license, along with passport size photographs), address proof (either electricity bill, ration card or

telephone bill) and signature proof. The NBFCs are now allowed to make use of e-KYC which uses Aadhaar card validation. The move towards e- KYCs is meant to reduce risk of fraud and forgery as well as improve application processing speeds.

Changes in classification of Non-Performing Asset

The RBI Master Directions require that every non-deposit taking NBFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

- Standard Assets.
- Sub-Standard Assets.
- Doubtful Assets; and
- Loss Assets

Further, the class of assets referred to above shall not be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for an upgrade. A NBFCs-ND is required to make provisions against sub-standard assets, doubtful assets and loss assets in accordance with the Master Directions. In terms of the Master Directions, NBFCs-ND has to make the following provisions on their loan portfolio.

Provisioning Policy for Systemically Important Non-Deposit taking NBFC

Asset Classification	Provisioning Policy
Standard Asset	0.40% of outstanding
Sub-standard Assets	10% of outstanding
Doubtful Assets	100% of unsecured portion + 20% - 50% of secured portion
Loss Assets	100% provided if not written off

Source: RBI Circular

Provisioning Policy for Non-Systemically Important Non-Deposit taking NBFC

Asset Classification	Provisioning Policy
Standard Asset	0.25% of outstanding
Sub-standard Assets	10% of outstanding
Doubtful Assets	100% of unsecured portion + 20% - 50% of secured portion
Loss Assets	100% provided if not written off

Source: RBI Circular

The time frame for classification of NPAs for NBFCs has been brought on par with banks. RBI mandated from FY18; a loan is termed as a NPA if interest is not paid for 90 days (3 months). In 2016, the time period was 5 months, while it was 4 months in 2017. However, it should not be a cause for concern, since default is not an issue for a gold finance company, as the loan is fully secured. In case of non-payment, the gold finance company could simply auction off the gold underlying to recover the interest and principal.

Impact of GST on purchase of Gold Jewellery

Earlier excise duty and VAT of 1% each were attracted to gold jewellery initially. Once GST was implemented, all the other taxes were eliminated, and only a GST of 3% was brought into effect. Whenever a customer purchases gold jewellery, they have to bear a flat rate of 3% GST. Additionally, he also has to pay GST at 5% on the making charges. It is important to note

that the import, purchase, and making charges of gold have different GST rates individually. However, there is no GST attracted if you sell old gold jewellery and purchase new jewellery in a single transaction.

Gold Monetisation Scheme (GMS)

The government in the late 1990s also tried to monetize the idle gold hold by Indian households by bringing it into use for the industry and to reduce dependency on imports. Gold Deposit Scheme (GDS) was introduced in September 1999 to allow individuals to deposit gold at banks and receive interest in return. Further, the scheme was also exempt from capital gains, wealth and income tax. However, the minimum deposit of 500 grams was a huge deterrent for many individuals and households to avail this scheme. Between 1999 and 2015, only 15% of gold was mobilized reflecting the inefficiency of GDS structure. GDS was reintroduced in the Union Budget 2015 by Finance Minister Mr. Arun Jaitley in a new avatar - 'Gold Monetisation Scheme' with the minimum deposit size being reduced to 30 grams. This scheme offers an annual tax-free interest starting from 0.6% (Short-term: up to 3 years) to 2.5% (Long-term: up to 15 years).

The objective of GMS is to mobilize gold held by households and institutions of the country and facilitate its use for productive purposes, and in the long run, to reduce country's reliance on the import of gold. All Scheduled Commercial Banks excluding Regional Rural Banks are eligible to implement the scheme. It includes Revamped Gold Deposit Scheme (R-GDS) and Revamped Gold Metal Loan Scheme (R-GML). The minimum deposit at any one time is 30 grams of raw gold (bars, coins, jewellery excluding stones and other metals). There is no maximum limit for deposit under the scheme. Also, the interest earned on the gold deposit will be exempted from not only income tax but also capital gains tax.

RBI ordered urgent reforms after finding major lapses by Gold loan players

On 30th September 2024, RBI expressed concerns over irregular practices by banks and NBFCs (supervised entities) and asked them to comprehensively review their policies, processes and practices on gold loans to identify gaps and initiate appropriate remedial measures. The major deficiencies include shortcomings in use of third parties for sourcing and appraisal of loans; valuation of gold without the presence of the customer; inadequate due diligence and lack of end use monitoring of the loans; lack of transparency during auction of gold ornaments and jewellery on default by customers; weaknesses in monitoring of LTV; and incorrect application of risk-weights etc. All players were advised to comprehensively review their policies, processes and practices on gold loans to identify gaps and initiate appropriate remedial measures in a timebound manner. The RBI has underscored that players must ensure stronger controls over outsourced activities, including those involving third-party fintech firms, which have sometimes been left in charge of crucial tasks like loan appraisal, gold custody and KYC compliance.

7. Key Risks in Gold Loans Financing

Few of the risks involved in gold loan financing is as follows:

Price Risk: Gold being a globally traded precious commodity, its price fluctuates daily depending on domestic and international factors. When gold price increases, it is beneficial to lenders as well as borrowers whereas when it falls drastically on a continuous basis, the current loan to value ratio (LTV) increases. This increases the possibility of delinquencies and the internally set mark to market (MTM) or LTV trigger may breach. As a policy, the financier in this case would ask for the part prepayment or additional collateral to avoid jewellery from auctioning. But in an extreme scenario when most of the customers fail to comply with either of the options combined with an unfavourable economic environment, a large chunk of jewellery may get auctioned for a value lower than market prices pre-auction, resulting in a lower recovery.

Credit Risk: Unlike other retail loans, where an independent credit team does assessment of a borrower, gold loans involve limited borrower credit check (by major non-banking finance companies), given that lending is purely collateral based. Given the limited role of credit risk assessment in gold loans' disbursement, the presence of robust internal processes for collateral assessment becomes crucial.

Valuation Risk: The LTV ratio at the time of sanction depends on the valuation conducted by the valuation officer to arrive at an intrinsic value/net weight of gold content in jewellery based on its purity, weight and excluding non-gold content. Often, one to two months of training is provided to staff before they are enrolled to the branches. Staff follows an internal policy of valuation which generally includes acid test and sound test, and disregarding stones and non-gold content to arrive at the net weight of jewellery. Lack of a standardised valuation procedure across branches of the originator will involve judgement of the valuer, which may result in mispricing the asset which can lead to an under collateralised loan. Moreover, to curb the risk of spurious gold being pledged, strong valuation system/process should be in place.

Auction Risk: Auction is typically conducted either on loan crossing 90 days past due (dpd) or when MTM breaches an internally defined threshold. Once it is established that an auction needs to be conducted, there are operational challenges of moving jewellery to a designated auction centre, risk of losing it in transit and finding buyers when quantity/weight is high.

Safety and Insurance Risk: In any secured loan, the substance of collateral is high from recovery perspective. Safety and protection of collateral becomes more crucial when servicer has custody of it. When security systems of storage and surveillance of gold have weak controls, the collateral is prone to the risk of burglary and fraud which can lead to unwanted losses. Also, financiers store high-value gold in vaults at their branches and make disbursements up to certain value in cash with high daily cash turnover. It is crucial to adequately and effectively cover the risk of losing collateral and cash through insurance.

Delinquency: Gold loan is considered as an emergency source of funding typically disbursed in a quick time. Although the product is fully secured, historically it has been noticed that there can be chances of delinquencies in the softer buckets because of the nature, purpose and tenor of loans. Income levels of the underlying borrowers during the tenor of loan and gold price volatility determine delinquency levels in the deeper buckets.

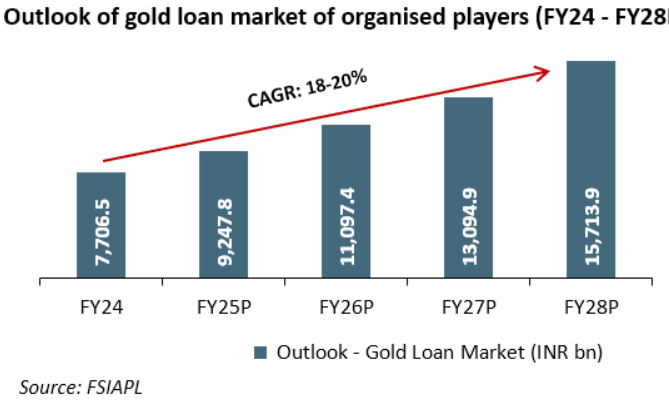
Seasoning Risk: Gold loans being a short tenure product where the weighted average life is often less than 12 months, the average seasoning at the time of securitisation may be three to four months and of only interest payment (principal repayment being bullet in nature). Hence, loan's performance history is limited. Although the short-tenure gold loan has the advantage over a correction in gold prices, it does not give a larger picture on pre-securitisation credit behaviour.

8. Outlook of The Gold Loan Market In India

Outlook of the Gold Loan Market in India

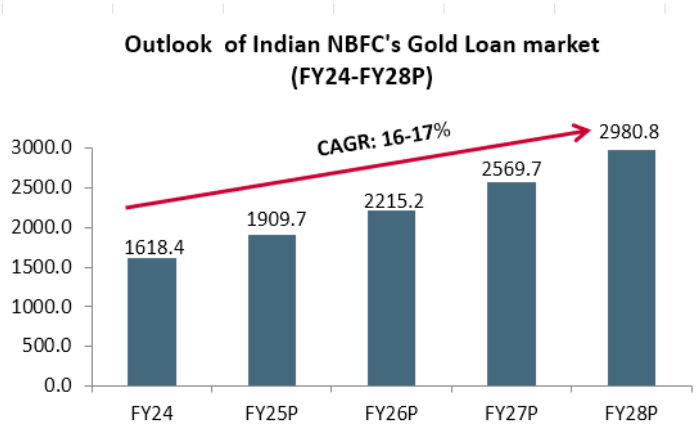
India is one of the largest markets for gold and in our Indian culture gold is considered as auspicious, particularly in Hindu and Jain cultures and gold is worn for important ceremonies and occasions. Gifting gold is a deeply ingrained part of marriage rituals in Indian society where weddings generate approximately about 50% of annual gold demand. Rural residents and low-income groups are the major customers of gold loans, as gold is usually the only asset they possess. Gold loan has emerged as one of the most reliable credit sources for these categories of customers. Further the gold loan market is still underpenetrated, considering the abundant availability of gold as collateral with Indian private households. This could play a vital role in the expansion of gold loan market. FSIAPL has estimated that the gold loan market size of organised players will grow to INR15,713.9 bn by FY28P.

Demand for gold loans, both through banks and NBFC, has grown in response to the economic impact of the COVID-19 pandemic. The need for quick credit among small businesses will further spur gold loans' growth post the pandemic. With the credit demand expected to rise, the organised gold loan industry is expected to grow over the next few years at a CAGR of 18-20% from INR7,706.5bn in FY24 to INR15,713.5bn in FY28P which would be driven by gold loan NBFCs moving into non-southern Indian territories, improving penetration, improving product awareness and building brand identity. Diversification into other regional geographies and untapped markets would be the key for industry AUM to grow. Gold loan industry AUM projection from FY24 to FY28P is provided below:



Source: FSIAPL

Since the COVID-19 outbreak of the pandemic, gold loans have become an easy way of accessing capital and both banks and NBFCs have reported higher disbursements and increasing revenue numbers from their gold loans portfolio. Industry report suggests that MSME companies are turning to gold to raise funds, rebuild their business and manage working capital requirements. Gold loan processing is perceived to be faster and more convenient, compared to personal loans. Organized players are adopting marketing initiatives to raise awareness against heavy interest rates charged by the unorganized players (which are in the range of 25-50%) especially in rural parts. Also, player's ability to leverage technology and improve their online gold disbursements could turn out to be a game changer. Based on these growth drivers, we expect gold loan NBFCs' AUM to grow at 16-17% CAGR, from INR1,618.4bn in FY24 to INR2,980.8bn in FY28P. Indian NBFC's gold loan AUM projection for the coming 4 years is provided below:



Source: FSIAPL

The overall organized NBFC's gold loan penetration level is around 25-30%, which confirms that there is headroom for growth in this market. So, financial institutions with the right focus, operational capabilities, availability of funds, refreshing products and modern technology can capture a large market share.

Various factors affect the gold demand in India. The relationship between these factors is provided below:

Long Term Factors		Short Term Factors	
Rising Income	Gold Price Movement	Inflation	Excess Rainfall
It is anticipated that for a 1% increase in income, the demand for gold will rise by 1%	For a 1% increase in gold price, demand will decrease by 0.5%	For a 1% increase in inflation, demand rises by 2.6%	For a 1% increase in monsoon rainfall, gold demand rises by 0.5%

Source: World Gold Council

The arrival of new online gold loan products and digital models by various NBFCs and fintech players are expected to tap the gold loan market. These products offer gold loans at the client's doorstep and complete the process without much hassle. More and more tech driven consumers are opting for these loans as these products have lower interest rates vis-à-vis its competing brick and motor NBFCs.

Gold as a Hedge against Inflation, Fluctuation in Interest Rates and Rupee Devaluation

The Indian rupee was at INR 86.6 per US dollar as on 21st February 2025. Foreign Portfolio Investment outflows and the renewed Greenback demand weigh on the local currency. The recovery in crude oil prices might also contribute to the Indian Rupee's downside as India is the world's third-largest oil consumer. Any significant depreciation of the Indian Rupee might be limited amid the likely intervention by the Reserve Bank of India.

Higher inflation leads to increase in expenses and lesser savings thereby affecting personal finances. Higher inflation over a period can cause higher interest rates, thereby making loans expensive. A weak rupee against dollar affects any investment done abroad, foreign education and foreign travel. The inflationary pressures have led to interest rate hike by RBI which has already raised interest rates several times last year. A higher interest rate will lead to higher EMIs. For the investor of debt funds, rise in interest rates would bring down the bond prices and hence has a negative impact on the debt funds 'net asset values'. As explained above, the rising exchange rates and the resulting inflationary pressures will have an impact on the value of the assets of the retail investors and hence it is imperative for the retail investors to invest in class of assets which are a good inflation hedge. Among all the class of assets, gold is considered as a best hedge against inflation and seen as an ideal asset for portfolio diversification.

The demand for gold rises whenever there is political chaos and gold is considered as safe haven. The gold is high on safe-haven demand due to fears of a global trade war after US President Donald Trump announced new tariff plans. Trump announced plans to impose an additional 25% tariff on all steel and aluminium imports. He also said he will announce reciprocal tariffs, matching rates imposed by other countries and applying them immediately. Gold is considered a safe investment during economic and geopolitical turmoil.

The RBI added 72.6 tonnes to its stock of gold in 2024, quadrupling the incremental additions from a year ago, as it ranked just behind the Polish and Turkish central banks in net buying bullion through the year that witnessed massive currency volatility after Trump's election in November. The RBI's latest stock of gold amounted to 876.2 tonnes as of 31st December 2024 valued at USD66.2 billion, up from 803.58 tonnes valued at USD48.3 billion in the same period a year ago, implying a purchase of 72.6 tonnes in the calendar year. Incremental additions totaled 18 tonnes in 2023. The 2024 gold purchase is the highest since 2021 and the second highest in any calendar year since it started buying gold in 2017. The central bank has been aggressively buying gold because gold purchases help the central bank protect itself against currency volatility and the consequent revaluation of reserves.

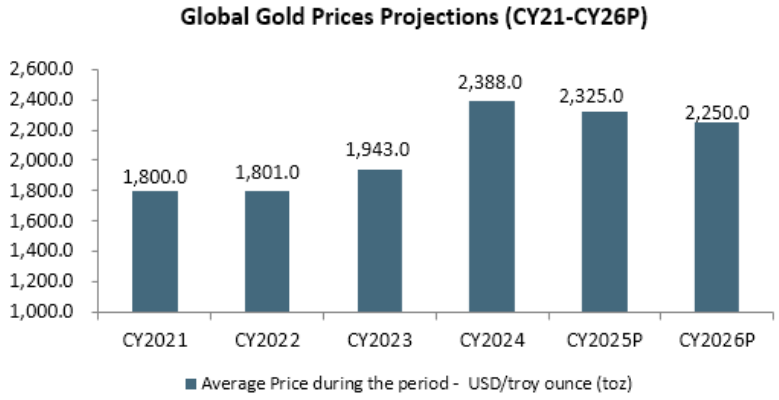
The RBI has been actively accumulating gold as part of its reserves management strategy since December 2017. But it has become more aggressive post COVID and is one of the major buyers of gold among global central banks. The central bank's

stated objective of holding gold in reserves is mainly to diversify its foreign currency assets base, as a hedge against inflation and foreign currency risks. Central banks globally have actively started accumulating gold more aggressively after the Russia-Ukraine war started in February of 2022. The RBI too has followed the trend of central banks globally.

9. Key Challenges Faced By The Gold Loan Industry

Volatility in Gold prices

Volatility in the gold prices has impact on the performance of the gold loan market. Though gold prices are increasing, it is expected to decrease over the long term. As per the Pink Sheet of World Bank Commodities Price Data of 4th February 2025, average price of gold was at USD 2,388.0 per toz in CY2024. As per the World Bank Commodity Markets Outlook of October 2024, the global prices of gold are expected to decline from USD2,388.0 per toz in CY2024 to USD2,250.0 per toz in CY2026P. With increase in LTV, the asset portfolio of gold finance companies become more vulnerable if gold price crash suddenly. This is because the safety margin reduces with higher LTV. Banks would be exposed to greater risk due to higher LTV.



Source: World Bank Commodities Price Data -The Pink Sheet (February 2025), World Bank - Commodity Markets Outlook (October 2024)

Regulatory pressure

At present, every NBFCs-ND-SI is required to make a provision for standard assets at 0.4% of the outstanding. In March 2017, RBI stated that NBFCs cannot disburse more than INR20,000/- in cash against the gold loans. This RBI move is being part of its go digital drive post demonetization. RBI had increased the maximum limit for LTV for gold loans for scheduled commercial banks to 90% (earlier it was 75%) till March 2021 but it was brought back to 75% post 31st March 2021. The LTV is still 75% for NBFCs. The objective behind increasing the LTV would be to provide some lending room for the lenders. The higher LTV ratio suggests more credit risk for the lenders as the collateral available in the form of gold ornaments or jewellery may not be sufficient to fully cover both principal and interest components on these loans. Higher LTV could adversely impact the recoverability and asset quality of lenders in the case of a weakening in the borrower's credit risk profile and/or sharp decline in gold prices.

Security Threats and Risks of Theft

One of the principal risks in the operations of gold loan NBFCs are robbery and employee theft or fraud which needs to be safeguarded. To safeguard against theft or loss of collateralized gold NBFCs install safe vaults, in-house or outsourced storage model, electronic surveillance, internal and external audits and insurance.

Lack of financial literacy among rural customers

The customer segment living in remote areas is financially illiterate and till date they are under the impression that they are not eligible for any loans from the organized (banks, NBFCs, financial institutions) sector and they approach local moneylenders. This financial illiteracy among rural people is a factor that hampers the growth of market to a great extent.

Young Indians attraction to alternative jewellery

India is the largest consumer of gold in the world. From last few years the young population of India is more inclined towards high-end designer and gem-set jewellery with a preference to platinum and diamonds. This indicates buying patterns are shifting and the demand for plain gold jewellery is declining especially in the urban areas. As per industry reports, India is the world's fourth largest platinum market and customers have the assurance of buy-back similar to gold ornaments. In recent times, diamonds are also gaining equal popularity to gold as an investment option. Further, the Indian Commodity Exchange is offering a Systematic Investment Plan to acquire precious stones for retail buyers. Since, the last seven years, gold and platinum have appreciated by a similar extent. All these are indicators of slightly diminishing popularity of gold amongst the urban youth in urban markets.

Change in Savings Pattern

The youth are turning towards alternative options such as equity markets/mutual funds for wealth creation as against traditional method of buying gold. Also, the percentage of discretionary spending is also rising day by day. These alternate investment options are gaining more traction.

Data Security

Protection of data is the most importance given to the rise of cyberattacks through malware and phishing targeted at the confidential client information. All the financial institutions need to make sure that sufficient attention is given to such challenges and a strong network and data infrastructure is in place which would be capable of preventing such attacks.

According to industry sources, cyber-crime is the third most reported fraud across the financial sector. The RBI directed that all NBFCs were required to have a board-approved information security policy with the following basic tenets:

- Confidentiality - Ensuring access to sensitive data to authorized users only.
- Integrity - Ensuring accuracy and reliability of information by ensuring that there is no modification without authorization.
- Availability - Ensuring that uninterrupted data is available to users when it is needed.
- Authenticity - For information security it is necessary to ensure that the data, transactions, communications or documents (electronic or physical) are genuine.

10. Overview of Micro Finance Industry in India

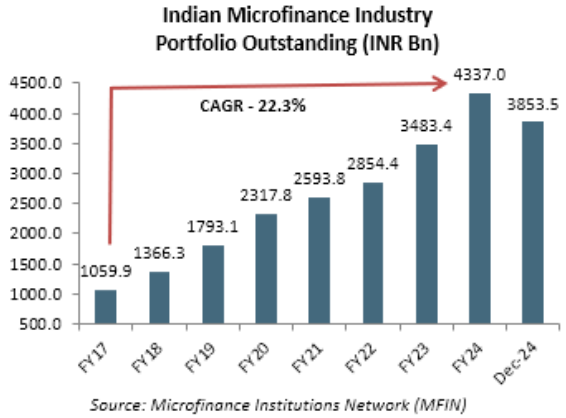
Microfinance, which involves providing small loans to financially excluded rural market, is an important player to bridge the credit demand gap among the underserved lower income groups. The journey of financial inclusion in the past two decades has been one of intensive efforts and incremental experimentation. However, the quantum jump came when Pradhan Mantri Jan Dhan Yojana (PMJDY) was launched in 2014, which enabled achievement of the objective of providing bank accounts to adult population in almost every household. The reach of mobile phones and e-KYC has ensured these accounts are accessible to those who have been included in the financial services.

Number of negative events in the past have influenced growth as well as asset quality of the microfinance sector including – the Andhra Pradesh crisis of October 2010, farm loan waivers by several states, demonetisation in November 2016, floods in some states, as well as economic slowdown. Despite these setbacks, the industry has evolved over the cycles and demonstrated

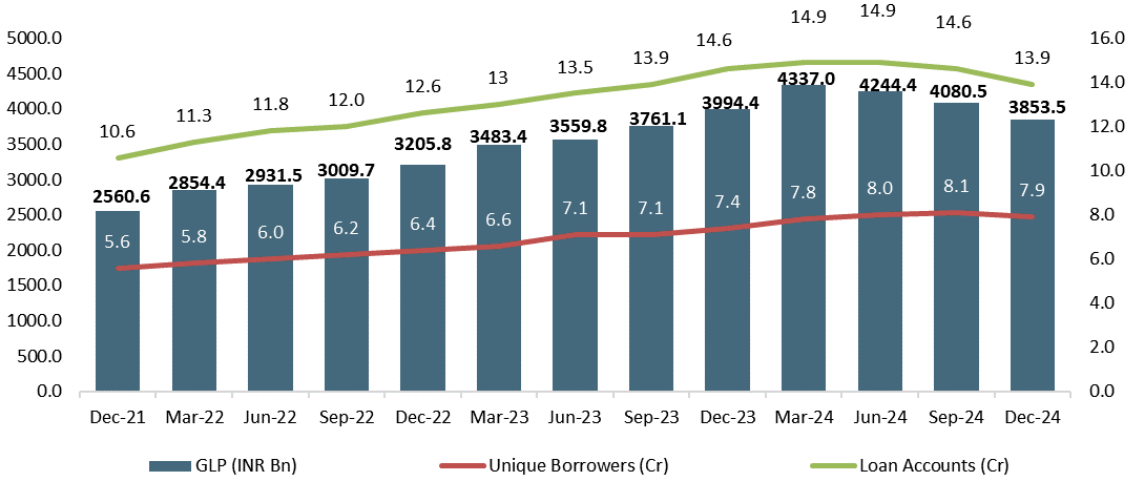
resilience by adapting to changing dynamics. It is significant to note that the number of institutions providing microfinance as also the quantum of credit made available to the financially excluded clients have increased significantly during the last decade. RBI has been making sustained efforts to increase the penetration of formal financial services in unbanked areas, while continuing with its policy of ensuring adequate flow of credit to productive sectors of the economy and ensuring the availability of banking services to all sections of people in the country.

Market size of Indian Microfinance industry

Micro Finance industry consists of multiple players with diverse organizational structures. Loans in this sector are provided by Banks, Small finance banks (SFBs), Non-banking financial company-microfinance institutions (NBFC-MFIs), other NBFCs and non-profit organizations. According to the Microfinance Institution Network (MFIN), MFIs operates in 26 states and 6 union territories of India as on 31st December 2024. The sector served 79mn unique borrowers through 139mn loan accounts as on 31st December 2024. The industry Gross Loan Portfolio (GLP) has grown at a CAGR of 22.3% from INR 1059.9bn in FY17 to reach INR4337.0bn in FY24 period as depicted in the graph above. The GLP of the Microfinance Industry reached INR3853.5bn as on 31st December 2024.



GLP growth of Microfinance Industry from Q3FY22 to Q3FY25

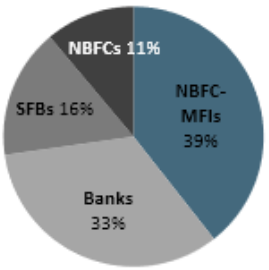


Source: Microfinance Institutions Network (MFIN)

Microfinance loan portfolio stands at INR3853.5bn as on 31st December 2024, serving 7.9 crore unique borrowers with 13.9 crore loan accounts. GLP as on 31st December 2024, showed a decrease of 3.5% y-o-y as compared to INR3994.4bn as on 31st December 2023. Some other trends of the industry are as follows:

- As on 31st December 2024, NBFC-MFIs hold the largest share of portfolio in micro-credit with total loan outstanding of INR1502.8bn, which is 39% of total micro-credit universe. Banks are second largest provider of micro-credit with a loan amount outstanding of INR1264.4bn accounting for 33% to total industry portfolio. SFBs have a total loan amount outstanding of INR626.9bn with a total share of 16%. NBFCs account for another 11% of the universe.
- The microfinance active loan accounts decreased by 4.8% during the past 12 months to 13.9 crores as on 31st December 2024.
- In terms of regional distribution of portfolio (GLP), East and North-East account for 32% of the total microfinance portfolio, South 31%, West 16%, North 15% and Central contributes 6% as on 31st December 2024.

Share of Various Lenders in Micro Finance Loan Portfolio Outstanding (31st December 2024)

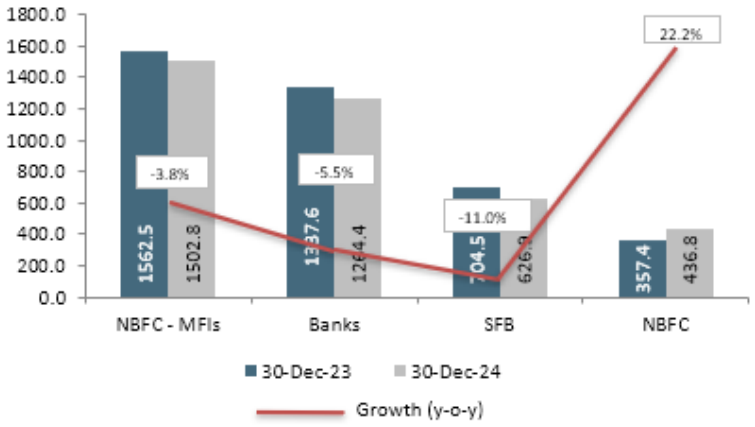


Source: Microfinance Institutions Network (MFIN)

- The Top 10 states constitute 84.0% in terms of GLP as of 31st December 2024. Bihar has emerged as the largest state in terms of portfolio outstanding followed by Tamil Nadu and Uttar Pradesh. Among Top 10 states, Tamil Nadu has the highest average loan outstanding per unique borrower of INR 30,952 followed by West Bengal at INR 29,290 as of 31st December 2024.

The graph below depicts the comparison of portfolio growth of different microfinance lenders as on 31st December 2024 and 31st December 2023.

Portfolio outstanding of the Microfinance Industry (INR Bn)



Source: Microfinance Institutions Network (MFIN)

Over the past years, the GoI and the RBI have recognized the role played by MFIs in furthering government's financial inclusion agenda. As a part of strengthening the MFI, the RBI appointed industry body Micro Finance Institutions Network (MFIN) as well as Sa-Dhan (an association of MFIN) as self-regulatory organizations (SROs) and bringing Credit Bureau for the tiny loan segments. There has been a tremendous improvement in the risk management practices of MFIs which is evident that the sector was able to tide over the effects of demonetization despite being the fact that MFIs transactions with its customers are mainly in cash as they cater to low-income households with majority of them located in rural areas. NBFC-MFIs are increasingly adopting digital transactions and expecting disbursements and repayment to happen cashless. However, their customers are illiterate, and the adoption is low by the customers. Digitalization will happen only with the improvement in digital infrastructure and with a continuous engagement with their customers. This is possible as the MFI feet on the street model has been instrumental in building an extensive reach at the grass-root level thereby enabling MFI to cater to the financial

needs of the unbanked clients. RBI has also raised the household income limit for availing micro loans while enhanced the lending limit to INR3.0 lakh per eligible borrower from INR1.25 lakh (for rural areas) and INR2.0 lakh (for urban and semi-urban areas) earlier, creating more opportunity for MFIs to grow.

The NBFC-MFIs adhere to RBI guidelines to fix interest rates. In March 2022, RBI has removed caps on the pricing of small loans given by non-banking financial company-microfinance institutions (NBFC-MFIs), bringing them to the same level as other such lenders, including banks. With this, the underwriting of loans will be done on a risk-based analysis, and a risk premium will be charged based on the borrower.

A significant portion of the Indian population still lacks access to credit from the formal sector and consequently borrows from informal channels like moneylenders or relatives, indicating the scope of micro lending in achieving financial inclusion and overall industry growth. The prospective for Microfinance, particularly in Semi-Urban and Rural geography is quite large in India and with NBFC-MFIs are stepping up to integrate best practices and technology which would help them provide better customer service as well as achieve operational efficiencies and lower costs.

The announcement of the 'Regulatory Framework for Microfinance Loans, 2022' has come at a very opportune time when the industry has seemingly navigated the stressful Covid period well and has started showing signs of normalcy. The new regulation is expected to usher in a new phase of growth in the microfinance sector which is more client centric and responsible and will enable regulated entities to reach out to new unreached areas/excluded households. At the same time, the regulation is applicable to all regulated entities and has created a level playing field, which will encourage healthy competition and challenge regulated entities to innovate and become more efficient, and in the process benefit the clients and contribute further towards achievement of financial inclusion.

OUR BUSINESS

Unless otherwise stated or the context requires otherwise, references in this section to "we", "us" or "our" refers to Muthoottu Mini Financiers Limited.

Some of the information in the following section, specifically the information in relation to our plans and strategies, contain certain forward looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 14 for a discussion of risks and uncertainties related to those statements and also "Risk Factors" on page 16, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Unaudited Financial Results and Audited Financial Statements included in this Draft Prospectus in Annexure IV on page 313. We have included various operational and financial performance indicators in this section, some of which may not have been derived from our Unaudited Financial Results or Audited Financial Statements and which may not have been subject to an audit or review by the Statutory Auditor or the Previous Statutory Auditor, as applicable. The manner in which such operational and financial indicators are calculated and presented, and the assumptions and estimates used in the calculation, may vary from that used by other entities in the business similar to ours. You should consult your own advisors and evaluate such information in the context of the Unaudited Financial Results, Audited Financial Statements and other information relating to our business and operations included in this Draft Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular the report titled "Gold Loan Industry in India dated March 13, 2025, prepared and issued by Fitch Solutions India Advisory Private Limited.

Overview

We are a non-deposit taking NBFC-ML 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 and Goa and the union territory of Puducherry. We also have microfinance loan segment wherein we provide unsecured loans to joint liability group of women customers (minimum of 5 persons) who require funds to carry out their business activities through few of our branches in the state of Kerala. Our Gold Loan portfolio as on December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 comprises of 5,98,002 gold loan accounts, 5,57,249 gold loan accounts, 5,03,974 gold loan accounts and 4,47,042 gold loan accounts, respectively, aggregating to ₹ 3,51,650.71 lakh, ₹ 3,22,221.23 lakh, ₹ 3,04,876.78 lakh and, ₹ 2,42,697.48 lakh which is 92.15%, 91.47%, 93.44%, and 97.13% of our total loans and advances as on such specific dates. We, as on December 31, 2024, had a network of 921 branches spread in the states of Kerala, Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, Haryana, Maharashtra, Gujarat, Delhi, Uttar Pradesh and Goa and the union territory of Puducherry and we employ 5,335 persons in our business operations.

We are registered with RBI as a non-deposit taking, NBFC-ML, NBFC (registration no. N-16.00175 dated April 13, 2002) under Section 45 IA of the Reserve Bank of India Act, 1934. Further, a fresh certificate of registration was issued by RBI on January 1, 2014, pursuant to the change of name of our Company from 'Muthoottu Mini Financiers Private Limited' to 'Muthoottu Mini Financiers Limited'. Our Company has also obtained a certificate of registration bearing registration no. – CA0122 issued by IRDAI, with effect from April 1, 2016 (renewed up to March 31, 2028), under Section 42D (1) of the Insurance Act, to act as a "Corporate Agent (Composite)". Further, our Company holds a certificate of registration dated July 5, 2012 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.

Our Company belongs to the Muthoottu Mini group. Muthoottu Mini group belongs to the Muthoottu family of Kozhencherry, which was founded by Ninan Mathai Muthoottu, who started the family business enterprise in 1887. In 1939, three sons of Ninan M. Muthoottu, *viz*, M. George Muthoot, M. Mathew and M. Pappachan Muthoot started a finance company named as Muthoot M. George & Brothers ("**MGB**"). In the early 1970s, they separated their business enterprises into three groups i.e., the current Muthoot Finance group of companies which is controlled by the sons of George M. Muthoot, the Muthoot Fincorp group which is controlled by the sons of M. Pappachan Muthoot and the Muthoottu Mini group which was earlier controlled by the son of M. Mathew i.e., Roy M. Mathew. Muthoottu Mini group is presently controlled by Mathew Muthoottu, son of Roy M. Mathew. Other than the aforementioned family connection, all the groups are distinct from each other and none of them are having any inter-group shareholdings or controls or business dealings. The Muthoottu Mini group commenced

operations at Kozhencherry, Pathanamthitta, Kerala and has over three decades of established history in the money lending business, mainly in small scale money lending against used household gold jewellery. The Muthoottu Mini group has been in the gold loan financing since 1986 and our Company has been extending Gold Loans since its incorporation.

Our Gold Loan customers are individuals primarily from rural and semi-urban areas. We believe that what distinguishes us from banks is our focus on non-organized sections of society and our turnaround time to sanction and disburse the loan. Our Gold Loan product mix varies from 60 days up to 720 days tenure with varying rates of interest and amount of loan to suit the requirements of the customers. For the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 our yield on Gold Loan assets was 19.98%, 18.12%, 17.78% and 18.40%, respectively.

We have also introduced online gold loan product wherein the customer has to come to the branch only for the initial appraisal and subsequent disbursement are done online whenever the customer makes a request during the maximum period of one year, subject to the prevailing LTV norms.

We have developed various Gold Loan schemes, which offer variable terms in relation to the amount advanced per gram of gold, the interest rate and the amount of the loan, to meet the different needs of various customers.

Our lending functions are supported by a custom developed information technology platform that allows us to record relevant customer details, approve and disburse the loan. Our web based centralised IT platform which records details of all branches also handles management of the relevant loan and pledged gold related information.

Our microfinance loan customers are joint liability group of woman customers only (minimum of 5 persons) from rural and semi-urban areas of Kerala. Our microfinance loan portfolio for the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023, and Fiscal 2022 comprised of 84,003, 76,144, 50,883 and 21,289 microfinance loan accounts respectively, aggregating to ₹ 29,618.21 lakh, ₹ 29,413.11 lakh, ₹ 20,713.17 lakh, and ₹ 6,435.43 lakh which is 7.76%, 8.35%, 6.35% and 2.58%of our total loans and advances as on such specific dates. For the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 the average loan amount advanced by us was ₹ 52,679.91, ₹ 59,054.78, ₹ 55,821.10, and ₹ 45,793.05 per loan transaction. For the nine-months period ended on December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, our yield on microfinance loan assets was 24.14%, 23.29%, 23.34% and 18.81%, respectively.

In addition to the loan business, we also offer depository participant services, money transfer services, insurance agents services, PAN card related services and travel agency services.

For the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, our total revenue was ₹ 59,544.51 lakh, ₹ 67,183.91 lakh, ₹ 54,443.96 lakh and ₹ 43,024.59 lakh, respectively. Our profit after tax, for the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, was ₹ 7,466.13 lakh, ₹ 7,783.14 lakh, ₹ 6,728.45 lakh and ₹4,629.40 lakh, respectively. For the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, our income from our Gold Loan business constituted 84.81%, 84.56%, 89.40% and 93.25% respectively, of our total income. For the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, revenues from our microfinance loan business constituted 8.97%, 8.69%, 5.82% and 2.53%, respectively, of our total income.

Gross non-performing loan assets were 1.22%, 0.88%, 0.43% and 0.61% of our gross loan portfolio under management for the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively.

Key Operational and Financial indicators of our Company

A summary of our key operational and financial indicators as for the nine months period ended December 31, 2024, have been derived from the Unaudited Financial Results and for Fiscal 2024, Fiscal 2023 and Fiscal 2022 have been derived from Audited Financial Statements, prepared in accordance with Ind AS which are as follows:

A. Based on the Limited Review Unaudited Financial Results of the Company for the nine months period ended December 31, 2024

(₹ in lakh, except percentages)

Particulars	Nine months period ended December 31, 2024
BALANCE SHEET	
Assets	
Property, Plant and Equipment	20,134.91

Financial Assets	4,40,453.99
Non-financial Assets excluding property, plant and equipment	4,113.27
Total Assets	**4,64,702.17**
Liabilities	
Financial Liabilities	
-Derivative financial instruments	-
-Trade Payables	-
-Debt Securities	1,45,537.02
-Borrowings (other than Debt Securities)	2,03,371.00
-Subordinated liabilities	34,242.62
-Other financial liabilities	2,456.46
Non-Financial Liabilities	
-Current tax liabilities (net)	-
-Provisions	504.06
-Deferred tax liabilities (net)	-
-Other non-financial liabilities	540.47
Equity (Equity Share Capital and Other Equity)	78,050.54
Total Liabilities and Equity	**4,64,702.17**
PROFIT AND LOSS	
Revenue from operations	59,392.89
Other Income	151.62
Total Income	**59,544.51**
Total Expense (including tax expenses)	**52,078.38**
Profit after tax for the year	7,466.13
Other Comprehensive income	0
Total Comprehensive Income	7,466.13
Earnings per equity share (Basic) (₹)	39.77
Earnings per equity share (Diluted) (₹)	39.77
Cash Flow	
Net cash from / used in (-) operating activities	(23,931.37)
Net cash from / used in (-) investing activities	(999.65)
Net cash from / used in (-) financing activities	25,632.57
Net increase/decrease (-) in cash and cash equivalents	701.55
Cash and cash equivalents as per Cash Flow Statement as at end of period	10,971.02
ADDITIONAL INFORMATION	
Net worth	75,265.32
Cash and cash equivalents	10,971.02
Loans	3,81,614.62
Loans (Principal)	3,62,849.88
Total Debts to Total Assets	82.45%
Interest Income	58,172.23
Interest Expense	29,155.13
Impairment on Financial Instruments	1,348.12
Debts written off to Loans	0.04%
% Stage 3 Loans on Loans (Principal Amount)	1.28%
% Net Stage 3 Loans on Loans (Principal Amount)	0.80%
Tier I Capital Adequacy Ratio (%)	17.47%

Tier II Capital Adequacy Ratio (%)	6.06%

Notes:

1) *Total debts to Total Assets = Debt securities + Borrowings (other than debt securities) + Subordinated liabilities / Total Assets*
2) *Net Worth = Total Equity – Revaluation reserve – Impairment reserve - Prepaid expenses – Deferred tax assets (net)*
3) *Bad debts to loans = Bad debts Written off/ Loans*

B. Based on the Audited Financial Statements for the last three financial years

(₹ in lakh)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
BALANCE SHEET			
Assets			
Property, Plant and Equipment	19,923.16	19,389.58	18,428.37
Financial Assets	4,07,953.24	3,63,267.87	3,01,393.95
Non-financial Assets excluding property, plant and equipment	3,681.07	3,155.03	3, 257.94
Total Assets	**4,31,557.47**	**3,85,812.48**	**3,23,080.26**
Liabilities			
Financial Liabilities			
-Derivative financial instruments	-	-	-
-Trade Payables	-	-	-
-Debt Securities	1,36,226.23	1,43,772.51	1,61,162.47
-Borrowings (other than Debt Securities)	1,91,229.90	1,52,665.35	77,321.61
-Subordinated liabilities	30,664.31	24,300.29	26,587.21
-Other financial liabilities	1,694.17	1,739.64	1,472.49
Non-Financial Liabilities			
-Current tax liabilities (net)	-	-	-
-Provisions	581.62	509.34	470.70
-Deferred tax liabilities (net)	-		
-Other non-financial liabilities	576.82	306.24	295.62
Equity (Equity Share Capital and Other Equity)	70,584.42	62,519.11	55,770.16
Total Liabilities and Equity	**4,31,557.47**	**3,85,812.48**	**3,23,080.26**
PROFIT AND LOSS			
Revenue from operations	66,820.85	54,371.45	42,895.20
Other Income	363.06	72.51	129.39
Total Income	**67,183.91**	**54,443.96**	**43,024.59**
Total Expense	59,400.77	**47,715.51**	**38,395.19**
Profit after tax for the year	7,783.14	6,728.45	4,629.40
Other Comprehensive income	(17.83)	20.50	(192.59)
Total Comprehensive Income	7,765.31	**6,748.95**	**4,436.81**
Earnings per equity share (Basic)	31.19	26.96	18.55
Earnings per equity share (Diluted)	31.19	26.96	18.55
Cash Flow			
Net cash from / used in(-) operating activities	(29,859.67)	(85,396.35)	(53,839.54)
Net cash from / used in(-) investing activities	(1,520.49)	(1,520.20)	(64.40)
Net cash from / used in (-)financing activities	37,635.91	55,397.54	66,387.97
Net increase/decrease(-) in cash and cash equivalents	6,255.75	(31,519.01)	12,484.03
Cash and cash equivalents as per Cash Flow Statement	10,269.47	4,013.72	35,532.73

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Additional Information			
Net worth	68,578.04	60,702.25	54,007.78
Cash and cash equivalents	10,269.47	4,013.72	35,532.73
Loans	3,52,277.57	3,26,278.27	2,49,860.46
Loans (Principal Amount)	3,36,311.86	3,15,768.02	2,42,861.58
Total Debts to Total Assets	82.98%	83.13%	82.05%
Interest Income	65,317.38	53,352.64	42,262.94
Interest Expense	34,530.94	28,349.16	22,365.39
Impairment on Financial Instruments	694.71	(228.67)	726.85
Bad Debts to Loans	0.02%	0.02%	0.02%
% Stage 3 Loans on Loans (Principal Amount)	0.93%	0.44%	0.63%
% Net Stage 3 Loans on Loans (Principal Amount)	0.75%	0.38%	0.53%
Tier I Capital Adequacy Ratio (%)	16.93%	15.99%	18.18%
Tier II Capital Adequacy Ratio (%)	6.93%	6.82%	3.47%

Notes:

1) Total debts to Total Assets = Debt securities + Borrowings (other than debt securities) + Subordinated liabilities / Total Assets

2) Net Worth = Total Equity – Revaluation reserve – Impairment reserve - Prepaid expenses – Deferred tax assets (net)

3) Bad debts to loans = Bad debts Written off/ Loans

Statement of Capitalisation (Debt to Equity Ratio)

(a) Debt to equity ratio as on March 31, 2024:

Particulars	March 31, 2024	
	Pre-Issue	Post- Issue[#]
Debt		
Debt Securities	1,66,890.54	1,86,890.54
Borrowings (other than Debt Securities)	1,91,229.90	1,91,229.90
Total Debts	**3,58,120.44**	**3,78,120.44**
Equity		
Equity Share Capital	25,032.54	25,032.54
Other Equity		
Special Reserve Fund	9,203.41	9,203.41
Securities Premium	8,064.15	8,064.15
Retained Earnings	27,766.37	27,766.37
Impairment Reserve	167.95	167.95
Total Equity	**70,234.42**	**70,234.42**
Debt/Equity	**5.10**	**5.38**

#The debt-equity ratio post the Issue is indicative and is on account of inflow of ₹ 20,000 lakh from the Issue and does not include contingent and off-balance sheet liabilities. The actual debt-equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.

Notes:

1) The figures disclosed above are based on audited financial statement of the Company for the year ended March 31, 2024.

2) Debt / Equity Ratio= Total Debt (Borrowings) / Equity

3) Other Equity does not include revaluation reserve.

4) As on December 31, 2024 the Company had total outstanding borrowings of ₹ 3,83,150.64.

5) The following events occurred between January 1, 2025 – March 25, 2025

a. The Company has raised private issue of secured, redeemable, non-convertible debenture amounting to ₹ 13,600.00 lakhs.

b. The Company has raised funds through subordinated debt amounting to ₹ 78.5 lakhs.

c. *The Company has raised funds through commercial paper amounting to ₹ 10,200.00 lakhs.*
d. *The Company has redeemed secured public issue of non-convertible debenture amounting to ₹ 9,747.78lakhs.*
e. *The Company has redeemed commercial paper amounting to ₹ 11,500.00 lakhs.*
f. *The Company, pursuant to sanction letter dated January 13, 2025 with IDFC First Bank has been sanctioned Term Loan of ₹ 15,000.00 lakhs.*
g. *The Company, pursuant to sanction letter dated January 10,2025 with DCB Bank has been sanctioned enhancement of WCDL of ₹ 2,500.00 lakhs.*
h. *The Company, pursuant to sanction letter dated January 21, 2025 with Utkarsh Small Finance Bank has been sanctioned Term Loan of ₹ 3,500.00 lakhs.*
i. *The Company, pursuant to sanction letter dated February 25, 2025 with Poonawalla Fincorp has been sanctioned Term Loan of ₹ 5,000.00 lakhs.*
j. *The Company, pursuant to sanction letter dated March 13, 2025 with Oxyzo Financial Services Ltd has been sanctioned Term Loan of ₹ 1500.00 lakhs.*
k. *The Company, pursuant to renewed sanction letter dated March 14, 2025 with Kerala Financial Corporation has been sanctioned Term Loan of ₹ 5000.00 lakhs.*
l. *The Company, pursuant to sanction letter dated March 20, 2025 with Union Bank of India has been sanctioned Term Loan of ₹ 2,500.00 lakhs.*
m. *The Company, pursuant to sanction letter dated March 21, 2025, with Standard Chartered Bank has been sanctioned Term Loan of ₹ 9,500.00 lakhs and Short-Term Facility of ₹100.00 lakhs.*

(b) Debt to equity ratio as on December 31, 2024:

(₹ in lakhs)

Particulars	**December 31, 2024**	
	Pre-Issue	**Post- Issue#**
Debt		
Debt Securities	1,45,537.02	1,65,537.02
Borrowings (other than Debt Securities)	2,0,3371.00	2,0,3371.00
Subordinate Liabilities	34,242.62	34,242.62
Total Debts	**3,83,150.64**	**4,03,150.64**
Equity		
Equity Share Capital	25,032.54	25,032.54
Other Equity		
Special Reserve Fund	10,696.64	10,696.64
Securities Premium	8,064.15	8,064.15
Retained Earnings	33,739.26	33,739.26
Impairment Reserve	167.95	167.95
Total Equity	**77,700.54**	**77,700.54**
Debt/Equity	**4.93**	**5.19**

#The debt-equity ratio post the Issue is indicative and is on account of inflow of ₹ 20,000 lakh from the Issue and does not include contingent and off-balance sheet liabilities. The actual debt-equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.

Notes:

1) *The figures disclosed above are based on unaudited financial results of the Company for the year ended December 31, 2024.*
2) *Debt / Equity Ratio= Total Debt (Borrowings) / Equity*
3) *Other Equity does not include revaluation reserve.*
4) *The following events occurred between January 1, 2025 – March 25, 2025*
    a. *The Company has raised private issue of secured, redeemable, non-convertible debenture amounting to ₹ 13,600.00 lakhs.*
    b. *The Company has raised funds through subordinated debt amounting to ₹ 78.5 lakhs.*

c. *The Company has raised funds through commercial paper amounting to ₹ 10,200.00 lakhs.*
d. *The Company has redeemed secured public issue of non-convertible debenture amounting to ₹ 9,747.78lakhs.*
e. *The Company has redeemed commercial paper amounting to ₹ 11,500.00 lakhs.*
f. *The Company, pursuant to sanction letter dated January 13, 2025 with IDFC First Bank has been sanctioned Term Loan of ₹ 15,000.00 lakhs.*
g. *The Company, pursuant to sanction letter dated January 10,2025 with DCB Bank has been sanctioned enhancement of WCDL of ₹ 2,500.00 lakhs.*
h. *The Company, pursuant to sanction letter dated January 21, 2025 with Utkarsh Small Finance Bank has been sanctioned Term Loan of ₹ 3,500.00 lakhs.*
i. *The Company, pursuant to sanction letter dated February 25, 2025 with Poonawalla Fincorp has been sanctioned Term Loan of ₹ 5,000.00 lakhs.*
j. *The Company, pursuant to sanction letter dated March 13, 2025 with Oxyzo Financial Services Ltd has been sanctioned Term Loan of ₹ 1500.00 lakhs.*
k. *The Company, pursuant to renewed sanction letter dated March 14, 2025 with Kerala Financial Corporation has been sanctioned Term Loan of ₹ 5000.00 lakhs.*
l. *The Company, pursuant to sanction letter dated March 20, 2025 with Union Bank of India has been sanctioned Term Loan of ₹ 2,500.00 lakhs.*
m. *The Company, pursuant to sanction letter dated March 21, 2025, with Standard Chartered Bank has been sanctioned Term Loan of ₹ 9,500.00 lakhs and Short-Term Facility of ₹100.00 lakhs.*

Corporate Structure

As on date of this Draft Prospectus, our Company do not have any holding company nor any subsidiary. As on December 31, 2024, our Promoter Nizzy Mathew holds 33,54,446 Equity Shares amounting to 13.40% and our Promoter Mathew Muthoottu holds 1,48,59,912 Equity Shares amounting to 59.36%, of our Company's issued and paid-up capital of our Company.

Our Strengths

We feel that the following competitive strengths position us well for continued growth:

We are a non-deposit taking NBFC-ML in the Gold Loan sector in South India with a long operating history and large customer base.

We are registered with RBI as a non-deposit taking, NBFC-ML (registration no. N-16.00175 dated April 13, 2002) under Section 45 IA of the Reserve Bank of India Act, 1934. Further, a fresh certificate of registration was issued by RBI on January 1, 2014, pursuant to the change of name of our Company from 'Muthoottu Mini Financiers Private Limited' to 'Muthoottu Mini Financiers Limited'. We operate, since our incorporation, 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 and Goa and the union territory of Puducherry. We believe that we have, over the years, been successful in expanding our brand name, as well as our customer base to different geographical locations in India. As on December 31, 2024, we have a network of 921 branches spread in the states of Kerala, Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, Haryana, Maharashtra, Gujarat, Delhi, Uttar Pradesh and Goa and the union territory of Puducherry. Our total number of Gold Loan accounts were 5,98,002 customer accounts as on December 31, 2024. We attribute our growth, in part, to our market penetration, particularly in areas which we believe are less served by organized lending institutions, which is reflected in the majority of our branches which are located in rural and semi-urban areas as on December 31, 2024 and streamlined procedural formalities which our customers need to complete in order to complete a loan transaction with us, which we believe enables us to attract new and retain existing customers.

Flexible loan schemes and efficient customer service

We believe the growth in our Gold Loan portfolio is partly due to the flexible Gold Loan schemes that we offer to our customers and efficient customer service depending on the individual needs, we provide our customers multiple options with respect to the loan amount, advance rate per gram of gold and interest rate. We endeavour to provide our customers with a simple and transparent process to avail Gold Loans and other services with trained staff members at all our branch locations. We also endeavour to staff our branches with persons belonging to the same locality as our customers which enables us to know our customers and their specific requirements better and enables us to meet up to their expectations in an efficient manner. We believe that our technology support, skilled workforce and policies on internal processes enable us to achieve the above objective. Furthermore, since our Gold loans are all collateralized by gold jewellery, there are minimal documentary

and credit assessment requirements, which shorten our turnaround time.

Extensive branch network across rural and semi-urban areas in South India

As of December 31, 2024, we have 921 branches spread across the states of Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Haryana, Maharashtra, Gujarat, Delhi, Uttar Pradesh and Goa and the union territory of Puducherry. For further details, please refer to "*Our Business – Branch Network*" on page 110. As on December 31, 2024, about 54.51% of our branches (502 branches) are in rural and semi urban areas in South India.

Advanced technology systems and established processes

We believe that the usage of a technology platform across our operations has improved our growth. Our web based centralised IT platform which records details of all branches. We believe that our IT infrastructure helps us with real time data transmission and updates, and endeavour to minimise errors, ensure faster data transmission and risk monitoring. We upload data at each branch to facilitate online information access for faster decision making. Our technology also helps reduce the time it takes to complete Gold Loan / micro finance loan transactions.

Our Company has put in place well defined and efficient process that enables us to achieve uniformity in our operations across all our branches. Our processes are developed at the corporate office level by professionals who have extensive experience in the areas of banking and financial services with supervision from our management. We believe that such well-defined processes and efficient technology platform, enables us to keep a better check over our entire branch network and helps us in detecting shortcomings.

Strong support system, including appraisal, internal audit and inventory control and safety systems

We believe that our ability to appraise the quality of the gold jewellery to be pledged in a short period of time is critical to our business. Assessing the gold jewellery quickly and accurately is a specialized skill that involves an assessment for gold content and quality manually without damaging the jewellery. We undertake the assessment activity in-house using tested methods of appraisal of gold.

Once the Gold Loan is made, we have a system in place for continuous monitoring of the pledged gold by internal audit and risk management teams. In accordance with our internal audit policy, all of our branches are subject to inspection for once in three months depending upon management perception of the risk associated with the branch.

While no minimum loan level is prescribed in the case of general gold loan including online gold loans the sanctioning powers are vested with various functionaries as detailed below.

Amount	Request from	1st Level	2nd Level	3rd Level	4th Level	5th Level	6th Level
Up to ₹ 10.00 lakh	Branch	BM					
Above ₹ 10.00 lakhs to Rs 25.00 lakh	Branch	RM/AM	ZM				
Above ₹ 25.00 lakh to Rs 50.00 lakh	Branch	RM/AM	ZM	AGM-Sanctions (CO)			
Above ₹ 50.00 lakhs to Rs 100.00 lakh	Branch	RM/AM	ZM	AGM-Sanctions (CO)	COO		
Above ₹ 100.00 lakhs to Rs 150.00 lakh	Branch	RM/AM	ZM	AGM-Sanctions (CO)	COO	CEO	
Above ₹ 150.00 lakh	Branch	RM/AM	ZM	AGM-Sanctions (CO)	COO	CEO	MD

At the time of conducting an inspection, a quality check on the inventory is also carried out, which involves physical security checks and checks on the quality of pledged gold. All our branches are fitted with strong rooms which are reinforced concrete cement structures built per industry standards and practices and fitted with security cameras to ensure high level of security.

Experienced management team and skilled personnel

Our Promoters, Nizzy Mathew has over 25 years of experience and Mathew Muthoottu has over sixteen years of experience in our business. Our senior management teams have extensive experience in the areas of banking and financial services, and

we believe that their considerable knowledge of and experience in the industry enhances our ability to operate effectively. Our staff, including professionals, covers a variety of disciplines, including internal audit, technology, accounting, marketing and sales. Our workforce also consists of appraisers who are skilled in the evaluation of the worth and authenticity of the gold that is pledged with us.

Our Strategies

Our business strategy is designed to capitalize on our competitive strengths and enhance our leadership position in the Gold Loan industry and to expand our presence in micro finance loan segment. Key elements of our strategies include:

Further growth in Gold Loan business in rural and semi-urban markets to tap into the potentially large market for Gold Loans

Indian gold loan market expanded considerably in recent years. The recent developments in the gold loan market have both positive and negative implications. In a country, where loans are required to be raised for meeting some sudden medical exigency or an educational loan or a business loan by a small and medium enterprise owner, the gold loans extended by the NBFCs are very handy and flexible, though costlier than such loans disbursed by banks. At a time, when financial inclusion is a major policy goal, the services rendered by the gold loans NBFCs, which are a part of the organised loan market are contributing in a reasonable measure to cater to the borrowing requirements of a needy section of the society, gold is an idle asset in the hands of individuals and there is a huge unlocked economic value in the Indian economy, which is estimated to be around 700-800 tonnes of gold in the year 2025. *(Source: FSIAPL Report)* Just a small fraction of this idle gold stock is being used for raising gold loans.

We intend to increase our presence in rural and semi-urban markets, where a large portion of the population has limited access to credit either because they do not meet the eligibility requirements of banks or financial institutions, or because credit is not available in a timely manner at reasonable rates of interest, or at all. We believe we meet the expectation of a typical Gold Loan customer of high loan-to-value ratios, rapid and accurate appraisals, easy access, low levels of documentation, quick approval and disbursement and safekeeping of their pledged gold, and thus our focus is to expand our Gold Loan business. We believe that our brand is key to the growth of our business. We have strong presence in the rural and semi-urban markets of India, particularly in the southern states of Kerala, Tamil Nadu, Karnataka, Andhra Pradesh and Telangana.

Diversifying our business into micro finance loan segment

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 December 31, 2024, we are offering micro finance loan only through 151 branches in the state of Kerala. Going forward, we intend to increase the number of branches in Kerala and expand it to other southern states. For the nine months period ended on December 31, 2024, and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, our micro finance loan represented 7.76%, 8.35%, 6.35% and, 2.58%of our total assets under management as on these dates. We believe that our diverse revenue stream will reduce our dependence on any particular product line thus enabling us to spread and mitigate our risk exposure to any particular industry, business and geography or customer segment.

Undertaking new business initiatives to diversify our revenue stream by leveraging our branch network and customer base

Gold Loan and micro finance loan as on December 31, 2024 and March 31, 2024 account for 99.91% and 99.82% of total loans of our Company, respectively. Income from gold loan and micro finance loans contribute to over 93.79% and 93.25%% of our total revenues as on December 31, 2024 and March 31, 2024, respectively, making us dependent on such income stream and interest on loans. With a view to diversify our incomes and be less dependent on interest alone, we continue to increase our revenue by broadening our fee based income by selling third party products. We currently provide services like money transfer, insurance, DP services, PAN card related services, travel agency services and Consignee services for sale of bullion and jewellery. 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. The license no. CA0122 was assigned to our Company and is valid till March 31, 2028. 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. We have also entered into agreements with securities provider for carrying out online trading in equity and derivative and commodity segments using our Depository Participant platform. Our Company intends to capitalise on the huge client base and large branch network, to offer these additional products and services

Strengthening our risk management and technology systems to have an error less streamlined growth in business

We believe that the risk management is a crucial element for the expansion of our Gold Loan / micro finance loan businesses. We believe that our integrated risk management framework with processes for identifying, measuring, monitoring, reporting and mitigating key risks, including credit risk, appraisal risk, custodial risk, market risk and operational risk helps us to strengthen our risk management systems. We believe that prudent risk management policies and development of tailored credit procedures will allow us to expand our Gold Loan financing and micro financing loan business without experiencing significant increases in non-performing assets.

We are focused on improving our comprehensive knowledge base and customer profile and support systems, which in turn will assist us in the expansion of our business. We are also looking to revamp our IT infrastructure to address the current deficiencies in our current IT systems which will help us improve our MIS systems.

GOLD LOAN BUSINESS

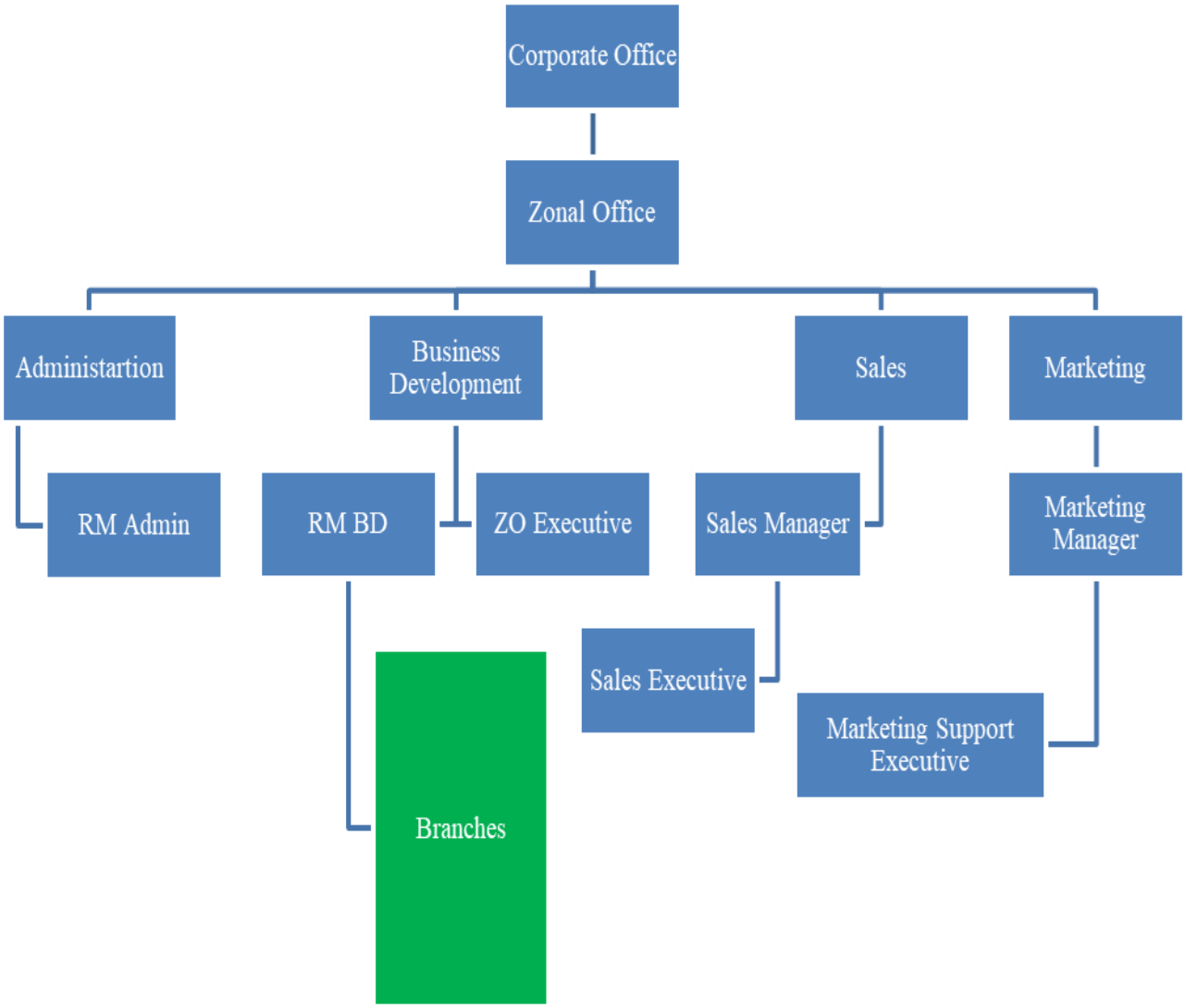
Our core business is disbursement of Gold Loans secured by the pledge of household gold jewellery. Loan amounts advanced by us are typically within the range of ₹10,000 to ₹60,000 per loan transaction and typically remain outstanding approximately for an average tenor of 180 days. As on December 31, 2024, and for the financial year ended March 31, 2024, March 31, 2023, and March 31, 2022, we had 5,98,002, 5,57,249, 5,03,974 and 4,47,042 Gold Loan accounts, aggregating to balance of ₹ 3,51,650.71 lakh, ₹ 3,22,221.23 lakh, ₹ 3,04,876.78 lakh and ₹ 2,42,697.48 lakh, respectively. For the nine months period ended on December 31, 2024, financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, our Gold Loan portfolio yield representing interest income on Gold Loans as a percentage of average outstanding of Gold Loans, for the same period were 19.98%, 18.12%, 17.78% and 18.40% respectively, per annum. For the nine months period ended on December 31, 2024, the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, income from interest earned on our Gold Loans constituted 84.81%, 84.56%, 89.40%, and 93.25%, respectively, of our total income. We are able to offer a variety of Gold Loan schemes to our customers to suit their individual needs. We have various new and different schemes in place. The schemes which differ in relation to the amount advanced per evaluated gram of gold, the interest rate concessions offered for the particular tenor and the amount of the loan.

Gold Loan business structure

Following are details of our gold loan business structure:

Zonal Office

We had structured our Business Model by adding Nine Zonal Offices across the country with 37 regional Managers. Our Zonal Offices are located at Delhi, Hyderabad, Bangalore, Vijayawada, Salem, Madurai, Kanyakumari, Kerala and Mumbai. Our Zonal Office headed by a Zonal Manager is supported by Regional Manager Business Development (for every 30-40 branches), Regional Manager Administration, Sales Manager, Marketing Manager, Zonal Office Executives and Sales Team. Through this we maintain a five way connect to branches. Refer to below chart on business model for reference.



Sales Department

The Sales Department is directly dealing with new customers by visiting them and updating about our product and services. Sales Manager at Zonal Office shall be leading the team in Zones and parallel reporting to Corporate Office. One lakh plus data collected during the period which can be utilised for further addition of Gold Loan and our other services.

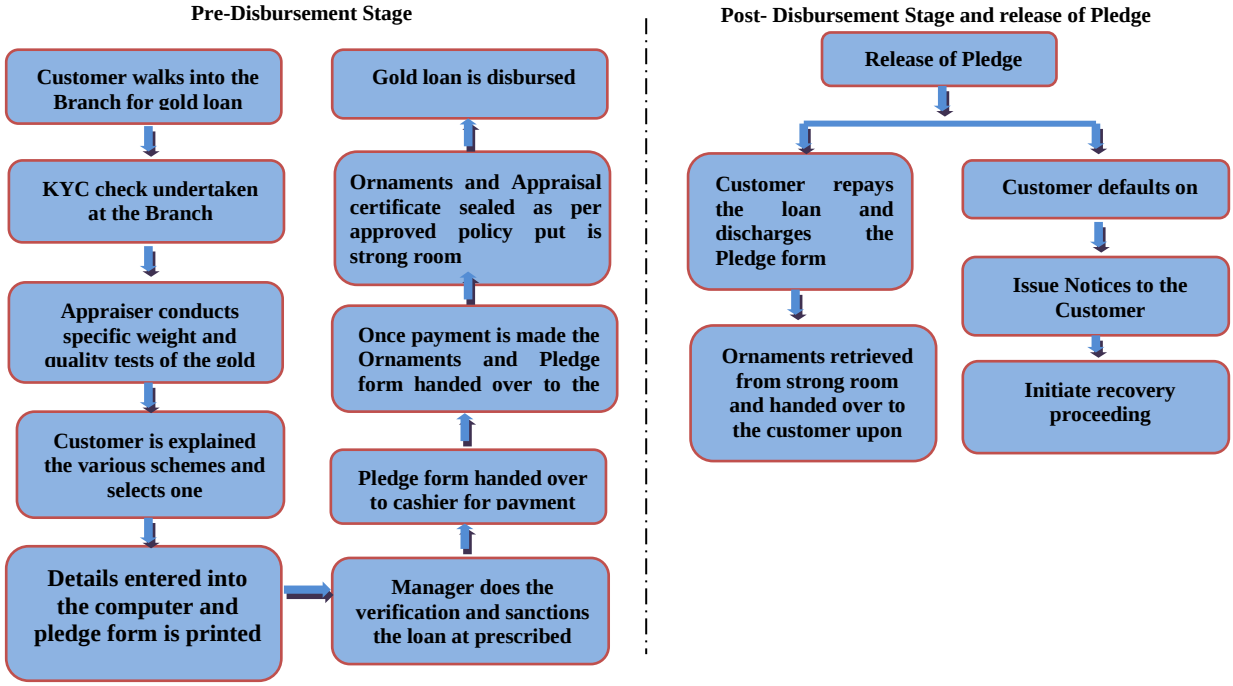
Marketing Department

We had strengthen our marketing department by adding Marketing Managers in all Zones to increase our branding visibility along with a supporting person in each cluster. This is going to make our brand more visible through our marketing and branding activities.

Audit

A four layer auditing system has been done to ensure the quality of assets and securities namely Gold Audit, Accounts Audit, Vigilance Audit and Online Audit. Vigilance Team is revamped recently with additional team members along with an online audit process. Online audit reinforce audit process during lockdowns and blockages during current pandemic. A live CCTV monitoring from corporate office is added as the 5th layer of our security.

Gold Loan disbursement process



The principal form of security that we accept is household gold jewellery. We do not accept bullion, gold biscuits, gold bars, new mass produced gold jewellery or medallions, and we restrict acceptance of jewellery from other money lenders. While these restrictions narrow the pool of assets that may be provided to us as security, we believe that it provides us with the following key advantages:

- It filters out spurious jewellery that may be pledged by jewellers and goldsmiths. We find that household, used jewellery is less likely to be spurious or fake.

- The emotional value attached by each household to the pledged jewellery acts as a strong incentive for timely repayment of loans and revoking the pledge.

- As we only accept the pledge of household jewellery, the value of the pledged gold is typically only as much as the worth of gold that is owned by an average Indian household. This prevents our exposure to large sized loans where the chances of default and subsequent losses are high.

The amount that we finance against the pledged gold jewellery is typically based on a fixed rate per gram of gold content in the jewellery. We value the gold jewellery brought by customers based on our corporate policies and guidelines. Our Company has adopted a loan policy on October 1, 2021, and updated on February 14, 2025 ("**Loan Policy**"). As per the Loan Policy, we grant Gold Loans on 22 carat gold ornaments. However, in case the gold jewellery that are being pledged is less than 22 carat, the corporate office translates the collateral into 22 carat and state the exact grams of the collateral are required to convert the carat of gold jewellery to the equivalent of 22 carat. We do not accept gold ornaments below 19 carat. The rates per gram is fixed by us on daily basis, based on the extant RBI guidelines and the 30 day average closing gold rate for 22 carat fixed by India Bullion and Jewellers Association Limited.

The actual loan amount varies according to the type of jewellery pledged. While jewellery can be appraised based on a variety of factors, such as total weight, weight of gold content, production cost, style, brand and value of any gemstones, we appraise the gold jewellery solely based on its gold content. Our Gold Loans are, therefore, generally well collateralized because the actual value of the gold jewellery is higher than our appraised value of the gold jewellery when the loan is disbursed. The amount we lend against an item and the total value of the pledged gold we hold fluctuates according to the market price of gold. An increase in the price of gold will not automatically result in an increase in the value of our Gold Loan portfolio unless the rate per gram is revised by our Corporate Office. It only results in a favourable movement in the value of the security,

pledged with us. Similarly, since adequate margins are built in at the time of the loan disbursement and owing to the short tenure of these loans, on average, a decrease in the price of gold generally has little impact on our interest income. However, a sustained decrease in the market price of gold could cause a decrease in the growth rate of Gold Loans in our loan portfolio.

All our Gold Loans have a maximum term of 24 months. In the event that a loan is not repaid on time and after providing due notice to the customer, the unredeemed pledged gold is disposed of, on behalf of the customer in satisfaction of the principal and interest charges. Any surplus arising out of the disposal of the pledged gold is refunded to the customer or is appropriated towards any other liability by the borrower. In the event that the recoverable amount is more than the realizable value of the pledged gold, the customer remains liable for the shortfall.

The processes involved in approving and disbursing a Gold Loan are divided into three phases:

- Pre disbursement;
- Post disbursement; and
- Release of the pledge.

Pre-disbursement process

Pre disbursement processes include all the actions that are carried out from the moment a customer enters any of our branches for procuring a Gold Loan, up until the customer receives the loan amount and include the following:

Gold Loan appraisal of a customer involves the following steps:

(a) *Customer identification* - Gold Loans are sanctioned only to genuine borrowers. Gold Loans can be sanctioned to the members of staff only with prior approval of regional manager, from the branch (other than where the such staff works). The sanctioning authority should take all precautions to confirm that the applicant, pledging the ornaments, is the true owner of those ornaments.

(b) *KYC documentation* – For mandatory compliance of KYC norms, as mandated by RBI and easy identification of each borrower at a later date, a photograph and proof of identity and address acceptable to the Company, are always obtained. Each branch has been provided with a webcam, which may be used to take the photograph, which is then uploaded into the system, also.

(c) *Security appraisal* – Once the manager is satisfied regarding ownership of the ornaments, the ornaments would then be appraised by the manager himself and/or other staff members who are assigned with the responsibility of appraising the gold jewellery. The ornaments being tendered are not appraised by any person who is not associated with our Company nor are the ornaments sent out of the concerned branch for appraisal. We use the services of our in-house gold appraisers in case of large value loans. These gold appraisers are professionally qualified for appraising the quality of gold and usually have multiple years of experience in appraising gold.

The process of measuring the "fineness", or purity, of gold is referred to as 'assaying'. There are different methods of assaying the fineness of gold. The most commonly used methods at our branches are touch stone, nitric acid and sound tests. Indian ornaments often contain stones of different types, some of which may be precious. But as a matter of policy, all types of stones are ignored, and their weight reduced from gross weight when advancing against ornaments. Sufficient margin is, therefore, retained for the approximate weight of such stones and for arriving at eligible loan amount; net weight of the ornaments so arrived at alone is taken into account. Reduction in weight is kept comfortably high to safeguard our interests. Wherever weight of stones cannot be ascertained, such ornaments are avoided. All particulars/details of ornaments such as, gross weight, net weight, rate per gram and estimated value will be entered item wise by the appraising staff on serially numbered DPN and also on the paper used for covering/packing ornaments and signed off with the date. The manager also verifies and satisfies himself that the ornaments have been properly tested for purity and details - gross weight as well as net weight, are correctly noted. He should also confirm correctness of valuation made.

(d) *Documentation* - The standard set of documents that are executed in a typical Gold Loan transaction include the pawn ticket and the demand promissory note cum terms and conditions. Basic details of the pledge, such as the name of the customer and the net weight of the jewellery pledged is recorded on the gold loan slip, which is retained by us. The pawn ticket, which contains the details of the customer and the pledged jewellery, is filled in by the employee who appraised

the gold and a copy is retained by the customer. The demand promissory note is an undertaking by the customer to repay the loan amount with the interest to the Company. The terms and conditions that are contained in the demand promissory note empower us to sell the pledged jewellery if the customer defaults on the Gold Loan. After execution of prescribed documents, a loan ticket detailing the particulars of the loan including the details of the items pledged, rate per gram, interest rate and maturity date is handed over to the customers along with disbursal of the loan.

Post-disbursement process

The post disbursement process involves the storage of the storage of the pledged gold jewellery. Ensuring the safety and security of the branch premises is vital to our business since cash and gold inventory are stored in each branch. Branch security measures implemented, by us, include:

- Every branch of the Company, without exception, is provided with a strong room constructed as per the specifications of RBI with fireproof strong room doors. This is a provision at each location to ensure safety of the pledged ornaments, of the clients.

- Access to the strong room is with the help of two distinct keys, which are in the hands of two different individuals attached to the branch. The strong room has a grill door, joint custody of whose keys are with the Branch Manager and another staff in rotation (the "**Joint Custodian**"). Both the branch head and the Joint Custodian hold the keys to grill in the strong room, which can only be opened if both keys are inserted at the same time.

- Electronic Security System: All our branches are installed with CCTV cameras. Such kind of a surveillance system helps to avert any major incidents of frauds, thefts, etc. in the branch premises.

- Insurance: Entire gold stock of the branches is insured for their gold content against theft and other calamities.

Release of pledge

Once a loan is fully repaid, the pledged gold jewellery is returned to the customer. The customer has to be present personally along with the gold loan token, at the branch where the pledge was originally made. The branch will verify the person with the photo taken at the time of pledge and confirm that there is no foul play and the amount to be paid is informed to the customer from the software and clarifies doubts if any on the amount demanded. The customer pays the amount at the cash counter and the ornaments are taken out of the safe and handed over to the customer after confirming them with the list of ornaments mentioned in the token and gold loan application form.

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 ₹10,000 to ₹ 1,20,000 per loan transaction and which remain outstanding approximately for an average tenor of 365 days to 730 days. As on December 31, 2024 and for the Fiscal 2024, Fiscal 2023, and Fiscal 2022, we had 84,003, 76,144, 50,883 and 21,289 micro finance loan accounts, respectively, aggregating to balance of ₹ 29,618.21 lakh, ₹ 29,413.11 lakh, ₹ 20,713.17 lakh and ₹ 6,435.43 lakh, respectively. For the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, our microfinance loan portfolio yield representing interest income on micro finance loans as a percentage of average outstanding of microfinance loans, for the same period were 24.14%, 23.29%, 23.34% and 18.81% respectively. For the nine months period ended on December 31, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 income from interest earned on our micro finance loans constituted 8.97%, 8.69%, 5.82% and 2.53% respectively, of our total income. We offer only one type of scheme in micro finance.

Micro Finance Loan disbursement process

The Microfinance branches identifies locations where loans are required through market survey within 25 km radius of branch and collect the KYC of the prospective loanees and check credit worthiness from RBI approved credit bureaus. A group guarantee is taken from the members of JLG group and the loan documentation is completed after the required personal verifications. After the due appraisal process in accordance with Microfinance credit policy of the Company, the amount is transferred directly to the bank account of each JLG member. An end use check is also made by the Branch head to confirm that the disbursement is in order. The collections are made on a weekly basis and start after a seven day moratorium, through collection agents of the Company.

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, 2028. 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. Currently, we are registered as a Depository Participant of CDSL for securities transactions. As on December 31, 2024, we have opened 42,194 securities DP accounts.

Travel Agency services – Our Company has entered into an agreement for air travel related services with Akbar Online Booking Company Private Limited, 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. Further, our branches will also collect the money from the customers on such sale or against advance payment scheme of MRG. The agreement was further reviewed and the same is effective from July 01, 2024 for a further period of two years.

Branch Network

As on December 31, 2024, we had 921 branches in the states of Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Haryana, Maharashtra, Gujarat, Delhi, Uttar Pradesh, and Goa and the union territory of Puducherry. The branch network of the Company as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, are given below:

State	As on December 31, 2024	As on March 31		
		2024	2023	2022
Andhra Pradesh	163	149	117	80
Delhi	8	8	7	7
Goa	6	6	6	6
Gujarat	6	6	5	5
Haryana	7	7	5	3
Karnataka	112	110	115	112
Kerala	169	169	176	180
Maharashtra	5	3	2	2
Tamil Nadu	328	345	348	339
Puducherry (Union Territory)	1	1	1	1
Uttar Pradesh	1	1	1	1
Telangana	115	97	78	78
Total	**921**	**902**	**861**	**814**

For further details on our branches please refer the QR code and web link below:

Weblink:https://docs.google.com/spreadsheets/d/1GTEMIJTmiT8Jdms9D2LC4JJKNNZVIUf0/edit?gid=241697026#gid=241697026

Customer Care

We believe that we have set in robust customer grievance redressal systems. The branches of our Company display the names and phone numbers of the nodal officer for addressing customer complaints.

Risk Management

As a lending institution, we are exposed to various risks that are related to our gold lending business, micro finance business and operating environment. Risk management forms an integral element of our business. Our objective in the risk management processes is to appreciate, measure and monitor the various risks that we are subject to and to follow policies and procedures to address these risks. We do so through our risk management architecture. We continue to improve our policies and procedures and to implement these rigorously, for the efficient functioning of our business. This also helps in managing the risks, associated with our business. Our Company has adopted a risk management policy on July 20, 2020 updated as on May 20, 2022 ("**Risk Management Policy**"). The major types of risk we face in our businesses are credit risk, operational risk, financial risk and market risk.

Credit Risk

Credit risk is the possibility of loss due to the failure of any counterparty to abide by the terms and conditions of any financial contract with us. 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. However, it is recognized that risk is inherent due to the criticality of the value of collateral. 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.

Gold loans are granted for a tenure of maximum two years 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.

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.

Financial 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.

Market Risk

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'.

Our Asset Liability Management Committee (ALCO) and the Audit Committee and Risk Management Committee of the Board closely monitors mismatch positions and the macro-environment to consider all indicators of risk and plan and advise suitable action.

Our Risk Management Policy

In order to address the risks that are inherent to our business, we have developed a risk management architecture that includes a Risk Management Committee, internal audit department, and a risk management department. Our Risk Management Committee, which is led by one of our Directors, oversees our risk management policies, which help us to identify, measure, monitor and mitigate the various risks that we face in our businesses. For details of membership of the Risk Management Committee, see "*Our Management – Corporate Governance – Risk Management Committee*" on page 129.

The risk management policy of our Company was reviewed at the meeting of the Board on May 20, 2022. The terms of reference of our Risk Management Committee are as follows:

(a) 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;
(b) 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

Our internal audit department assists in the management of operational risk. Separate divisions of our internal audit department have been put in place to handle the audit of the departments of the Corporate Office and those of the branch offices. We conduct regular inspection at our branches with special focus on high risk branches wherein inspection takes place once in 25 days with the focus on the verification of the Gold Loan pledges. A tiered approach is undertaken by the internal audit policy was reviewed by the Board last on August 13, 2022. In addition, an incremental high value loan check is carried out by Regional Managers as part of their periodical branch inspection.

Risk Management Audit

Our branch auditors also carry out a system driven risk audit on certain identified risk parameters. These are keyed into the system and alerts are sent to branch controllers and top management in case the risk weight given under a specific parameter goes beyond the prefixed tolerance levels. In all such cases, the concerned branches are inspected by the branch controllers or top management personnel depending on the severity of risk and immediate remedial actions are initiated.

Assets-Liabilities Management Policy

Our Board adopted the asset-liability management policy ("**ALM Policy**") on May 8, 2017 which was last reviewed on May 20, 2022. The primary objective of our ALM Policy is to ensure the stability of our net interest income as well as ensuring that we have liquidity and pricing stability. In order to monitor the ALM Policy, the Board at their meeting held on April 22, 2013 constituted an Asset Liability Committee ("**ALCO**") comprising of the directors and senior management functionaries of the Company, which was re-constituted on March 27, 2017 and thereafter on July 20, 2020.

Non-performing Assets (NPA)

The Master Directions require that every non-deposit taking NBFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

- Standard assets;
- Sub-standard assets;
- Doubtful assets; and
- Loss assets.

Further, the class of assets referred to above shall not be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for an upgrade. A non-deposit taking NBFC is required to make provisions against sub-standard assets, doubtful assets and loss assets in accordance with the above RBI Master Directions. In terms of the RBI Master Directions, non-deposit taking NBFC has to make the following provisions on their loan portfolio:

Asset Classification	Provisioning Policy
Standard Assets	0.40%
Sub-standard Assets	10%
Doubtful Assets	100% of unsecured portion + 20-50% of secured portion ($)
Loss Assets	100% provided if not written off

$: In addition to above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20% to 50% of the secured portion

For further details, please refer to *"Key Regulations and Policies*" on page 224.

Based on the RBI Master Directions for asset classification, details of the classification of our gross NPAs for significant classes of our assets as of December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 are furnished below:

(in ₹ lakh)

Asset Type		As on March 31		
	As on December 31, 2024	2024	2023	2022
Sub-standard	2,525.91	1,758.98	278.14	485.33
Doubtful	1,677.47	1,194.12	982.18	887.19
Loss	440.24	161.20	139.49	153.82
Gross NPA	4,643.61	3,114.32	1,399.81	1526.35
Gross NPA (%) of Total AUM	1.22	0.88	0.43	0.61
Less Provisions	1,731.66	581.76	185.13	227.47
Net NPA	2,911.95	2,532.56	1,214.68	1,298.88
Net NPA(%) of Total AUM	0.77	0.72	0.37	0.52

Secured loans are classified or provided for, as per management estimates, subject to the minimum provision required as per RBI Master Directions. We have written off ₹ 150.26 lakh, ₹ 85.54 lakh, ₹80.81 lakh and ₹ 51.18 lakh, for the nine months period ended on December 31, 2024, Fiscal 2024 Fiscal 2023 and Fiscal 2022, respectively.

NPA and recovery Policy

Our Board adopted the Non Performing Asset policy ("**NPA Policy**") on April 7, 2015 and reviewed the same on May 20, 2022. In terms of the NPA Policy, all loans outstanding beyond the loan validity are disposed of within three months from the expiry of the loan period. In order to undertake this, our Company has put in place a gold loan and micro finance loan monitoring, follow-up and disposal mechanism in place. Our Company has an Overdue Loans Cell ("***OLC***") at the Corporate Office under Chief Operating Officer which interacts with branches and their controllers for speedy recovery of all loans which has exceeded the stipulated loan tenor.

Since disposal of Gold Loans through individual branches is not feasible, our NPA policy spells out the operational workflow for a centralized Gold Loan disposal set up as follows:

- A registered auction notice in the vernacular language will be sent to the customer if payment is pending 20 days from the due date.
- Telephonic reminders or visits by MMFL Employees to the borrowers place or residence are the other loan follow up measures used.
- As a precautionary measure, Company will verify once again the authenticity of the KYC collected and the purity of

pledged ornaments in the NPA accounts.

- Telephonic reminders, Auction SMS or visits by Branch Manager, Regional Managers or Zonal Managers are made taking into account the net worth of the customer.

Auction Policy

Under the various schemes offered by our Company, the loans are typically granted for a maximum tenure of 12 months. Under such schemes of our Company, the borrowers are obligated to repay the principal amount together with the accrued interest in a specified period. In a business such as ours, there are certain instances wherein the borrowers fail to repay the amount within the specified period. Consequently, our Company settles such overdue accounts by means of a public auction to realise the dues. Our Company vide a resolution of its Board on July 20, 2020, approved the auction policy of the Company ("**Auction Policy**"**)** which was reviewed by the Board of Directors of our Company on February 14, 2025. Further, we identify the accounts for auction on the basis of:

(a) All accounts in which interest remains unserved in full and if the loan is not closed at the end of tenure in various schemes, it will be identified and listed as "eligible for auction accounts";
(b) An account which has been classified as an NPA account in accordance with policies laid down by the Company;
(c) Accounts that have not completed loan tenure but having a substantial erosion in the realizable value of the security to cover the dues i.e., Mark to Market cases (MTM Cases) may be taken up for auction in case all recovery initiatives fails.

In terms of our Auction Policy, on identification of such eligible auction account, we send notices to the borrowers to repay the dues, on failure of which, we initiate the process of public auction. Since as per the revised RBI guidelines, the company or its promoters cannot participate actively in the auction, qualified and experienced auctioneers are appointed by the company to carry out the auction on behalf of the company. In accordance with our Auction Policy, the auction shall be carried out by an auctioneer empanelled by the Company with the approval of the auction committee.

Resource Planning Policy

We maintain a well-diversified funding profile that is underpinned by our established relationships with our lenders and investors. We have historically and seek to continue to secure funding through a variety of sources. Further, our Company has put in place a Board approved policy for resource planning ("Resource Planning Policy") dated April 17, 2024, the Resource Planning Policy has been formulated by our Company to mobilise our resources raised from various sources including funds raised through issuance of non-convertible debentures, subordinated debts, commercial paper, securitization and funds raised by way of banks or institutional funding.

Capital Adequacy Ratio

As per the SBR Master Directions, every NBFC-ML including us are subject to capital adequacy requirements. Currently, we are required to maintain a minimum capital ratio consisting of Tier I and Tier II capital which shall not be less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items. Further, we need to maintain a Tier I capital of 10%. Also, the total of Tier II capital, at any point of time, shall not exceed one hundred percent of Tier I capital. Additionally, we are required to transfer up to 20% of our net profit to a reserve fund and make provisions for NPAs. We had a capital adequacy ratio of 23.53%, 23.86%, 22.81% and 21.65% on December 31, 2024, March 31, 2024, March 31, 2023 and, March 31, 2022 respectively. We have satisfied the minimum capital adequacy ratios prescribed by the RBI as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

Technology

IT Department: Our IT department is managed by well-qualified personnel with extensive experience in both technology and business domains. We believe in information technology and total automation to promote innovation and achieve maximum efficiency and performance in all our products and services to customers.

IT Infrastructure: The on-premise data center utilizes state-of-the-art hardware, network, security and software components to run financial and non-financial applications and store data. Core banking software includes all necessary modules for customer creation, accounts, loans, deposits, repayments, interest calculation, auctions, HRMS, MIS reports, regulatory reports, etc.
All branches are connected to the central data center via a secured network. Redundant network connectivity is provided using multiple telecom providers to ensure 24/7 operations.

Security and Risk Management: User access to computer systems and applications is controlled using login/passwords and Role-Based Access Control (RBAC). Critical or confidential data is stored using encryption techniques in a central database. The data center is well-secured using physical security measures, environmental controls, firewalls and uninterrupted power systems. The data center and systems are monitored 24x7 by the system support team. System logs are reviewed and monitored regularly. Financial and certain critical non-financial transactions go through multiple reviews and authorizations (Maker/Checker System).

Data Management: All data is stored securely in a central database. Critical customer data is encrypted for added security. Data is backed up and synchronized with DR regularly. Backup and recovery tests are conducted regularly. A separate Disaster Recovery (DR) setup is maintained in a cloud environment to ensure business continuity in case of failures. All customer data, accounts and transactions comply with KYC/CKYC norms.

IT Projects and Initiatives: Our existing banking system, built over a decade ago, is due for an upgrade to meet the demands of modern technology and future growth. To leverage advanced computing power, cloud-native technologies, and the latest IT innovations, we have embarked on developing a new core banking system.

As part of this transformation, we are also building a cutting-edge Non-Banking Financial Company (NBFC) platform to enhance our service offerings and operational efficiency. This migration to the new system will ensure robust, scalable, and secure banking operations.

Additionally, we are in the final stages of rolling out a centralized Customer Information System (CIS) to production. This system will streamline customer data management, improve service delivery, and provide a unified view of customer interactions across all touch points.

Vendor and Partner Management: We engage with some specialized partners to ensure the highest quality in our IT operations, covering development, maintenance, and support for selected software, hardware, cloud, and network services. Our development partners bring cutting-edge technology expertise to enhance our banking/non-banking applications, while dedicated maintenance and support providers offer round-the-clock service to ensure system reliability and performance. We source state-of-the-art hardware from leading vendors and leverage top cloud service providers for scalable, secure data storage and disaster recovery. Multiple telecom providers ensure robust, redundant network connectivity for seamless operations.

User Support and Training: We have a dedicated IT training team that provides regular training to our users on various aspects, including IT systems, software applications, banking domain knowledge, and cybersecurity practices. These training sessions ensure that our staff are well-equipped to utilize the latest technologies and adhere to best practices for maintaining security and efficiency in their daily operations.

Our IT support is divided into two specialized teams to address different needs. One team is focused on customer support, handling calls, queries, and providing assistance to ensure a smooth user experience. The other team is dedicated to hardware and network-related support, addressing technical issues and ensuring the seamless operation of our IT infrastructure. This dual-team approach allows us to provide comprehensive and efficient support to all our users.

Our Borrowings and Credit Ratings

As on December 31, 2024, our Company had principal outstanding secured borrowing of ₹ 3,03,217.88 lakh and unsecured borrowing of ₹ 62,158.01 lakh. We believe that we have developed stable long term relationships with our lenders and have established a track record of timely servicing of our debts. Please refer to the section titled *"Financial Indebtedness"* on page 137.

Name of Credit Rating Agency	Amount (₹ Lakh)	Rating	Rating Letter/Rating Rationale
ICRA Limited	20,000.00 (for proposed public issue of NCDs under this Issue)	[ICRA] A (Stable); assigned	Rating letter dated March 27, 2025 and rating rationale dated March 27, 2025
	50,000.00 (for non-convertible debentures programme)		Rating rationale dated March 27, 2025

Name of Credit Rating Agency	Amount (₹ Lakh)	Rating	Rating Letter/Rating Rationale
	3,05,000.00 (for long-term fund-based/non-fund based bank facilities)		
CARE Rating Limited	20,000.00 (for proposed issue of non-convertible debentures)*	CARE A-; Stable; assigned	Rating letter dated March 20, 2025
	1,04,656.00 (for existing non-convertible debentures)	CARE A-; Stable; reaffirmed	Rating rationale dated March 19, 2025
India Ratings and Research Private Limited	1,50,000.00 (for bank loan)	IND A-/Stable; affirmed	Rating rationale dated March 06, 2025
	2,238.00 (existing non-convertible debentures)		
	10,000.00 (commercial paper)	IND A1; assigned	
	20,000.00 (commercial paper)		

* Rating not accepted by the Company

The ratings are not a recommendation to buy, sell or hold securities and Investors should take their own decisions. Please refer to "*Annexure II*" for the rationale and press release of the rating received for the NCDs proposed to be issued pursuant to this Issue.

Security threats and measures taken to mitigate them

Since our branches handle large value of cash and gold on a daily basis, we have initiated specific security measures to prevent theft of our branch assets. These measures can be categorized as under:

- Physical security is provided by means of keeping the valuable gold ornaments in pucca strong rooms constructed as per the specifications of Reserve Bank of India with fireproof strong room doors.

- We have a system of Joint Custody of Gold and Cash in strong rooms to ensure that the keys of strong room doors are held in the custody of two different people i.e., the Branch Manager and another staff member, the Joint Custodian.

- All our branches are provided with Electronic Surveillance System and any movement within business area and in the strong room are recorded by the cameras placed inside the premises. All our existing branches have CCTV cameras installed.

- Entire gold stock of the branches is insured for their gold content against theft, dacoity.

- Proper checking of gold ornaments by appraiser, branch manager as well as audit by gold auditor and internal auditors at frequent intervals is undertaken to ascertain the quality of gold ornaments and ensure low purity of gold ornaments are not pledged.

- We have also in place a whistle blower policy which will ensure that any malpractices within the branch are reported to senior level executives.

Competition

We face competition from pawnshops, other gold / micro financing companies, banks, co-operative societies and local money lenders. Other lenders may lend money on an unsecured basis, at interest rates that may be lower than our rates of interest and on other terms, which may seem more favourable than ours. However, we believe that the primary elements of our competitive edge are the quality of customer service and relationship management, our branch location and reach and our ability to lend competitive amounts at competitive rates, with full transparency.

Property

Our Company has 921 branches, as on December 31, 2024 spread across the states of Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Haryana, Maharashtra, Gujarat, Uttar Pradesh, Delhi and Goa and the union territory of Puducherry,

which are taken either on leasehold or owned basis.

Intellectual Property

We currently do not own our trademark. The trademark is owned by Mini Muthoottu Nidhi (Kerala) Limited, one of our Group Companies. Mini Muthoottu Nidhi (Kerala) Limited by way of their letter dated May 2, 2009, authorised our Company to use the following trademarks , which was revalidated by a letter dated July 30, 2020.

Employees and Training of Employees

Being a service industry, our key resource is our manpower. As on December 31, 2024, we have 5,335 employees. Our Company emphasizes on imparting effective and continual training to its employees in a planned and systematic manner, to acquire and sharpen capabilities required to perform various functions associated with their present/expected future roles in the business of our Company.

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Brief background of our Company

Our Company was incorporated as 'Muthoottu Mini Financiers Private Limited', a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC dated March 18, 1998. Pursuant to a special resolution passed in the general meeting of our Shareholders held on September 14, 2013 and a fresh certificate of incorporation issued by the RoC on November 27, 2013, our Company was converted into a public limited company and consequently our name was changed to 'Muthoottu Mini Financiers Limited'.

Our Company has obtained a certificate of registration dated April 13, 2002 bearing registration no. – N-16.00175 issued by the RBI to carry on the activities of a NBFC under Section 45 IA of the RBI Act. Our Company is a systemically important non-deposit taking NBFC. Further, a fresh certificate of registration was issued by RBI on January 1, 2014, pursuant to the change of name of our Company from 'Muthoottu Mini Financiers Private Limited' to 'Muthoottu Mini Financiers Limited.'

Our Company has also obtained a certificate of registration bearing registration no. – CA0122 issued by IRDAI, with effect from April 1, 2016 (renewed up to March 31, 2028), under Section 42D (1) of the Insurance Act, to act as a "*Corporate Agent (Composite)"*.

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, renewed on August 21, 2017.

Mathew Muthoottu, one of the Promoters, is the Managing Director of our Company and Nizzy Mathew, mother of Mathew Muthoottu who is also the Chairman and Wholetime Director of our Company, is the other Promoter of our Company.

Our Company belongs to the Muthoottu Mini group. Muthoottu Mini group belongs to the Muthoottu family of Kozhencherry, which was founded by Ninan Mathai Muthoottu, who started the family business enterprise in 1887. In 1939, three sons of Ninan M. Muthoottu, *viz,* M. George Muthoot, M. Mathew and M. Pappachan Muthoot started a finance company named as Muthoot M. George & Brothers ("**MGB**"). In the early 1970s, they separated their business enterprises into three groups i.e., the current Muthoot Finance group of companies which is controlled by the sons of George M. Muthoot, the Muthoot Fincorp group which is controlled by the sons of M. Pappachan Muthoot and the Muthoottu Mini group which was earlier controlled by the son of M. Mathew i.e., Roy M. Mathew. Muthoottu Mini group is presently controlled by Mathew Muthoottu, son of Roy M. Mathew. Other than the aforementioned family connection, all the groups are distinct from each other and none of them are having any inter-group shareholdings or controls or business dealings. The Muthoottu Mini group commenced operations at Kozhencherry, Pathanamthitta, Kerala and has over two decades of established history in the money lending business, mainly in small scale money lending against used household gold jewellery. The Muthoottu Mini group has been in the gold loan financing since 1986 and our Company has been extending Gold Loans since its incorporation.

Roy M. Mathew was the managing director of our Company from March 18, 1998 to March 1, 2016 and *vide* a letter dated March 1, 2016 to the Board of the Directors, he intimated his resignation from the Board. The Company *vide* a letter dated April 16, 2016 informed RBI about the resignation of Roy M. Mathew as the managing director of our Company. Roy M. Mathew on September 29, 2016 transferred 1,22,90,000 Equity Shares to his son Mathew Muthoottu and 33,16,352 Equity Shares to his wife Nizzy Mathew, respectively, pursuant to the approval granted by RBI *vide* a letter dated August 2, 2016.

Change in Registered Office of our Company

Date	Details of Registered Office
At incorporation	2/994 Muthoottu Buildings, Kozhencherry, Pathanamthitta Kerala 689645
February 21, 2022	65/623-K, Muthoottu Royal Towers, Kaloor, Kochi, Kerala – 682 017

Main Objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

1. *To borrow, raise or take money, to lend or advance money either upon or without security, to draw, make accept, discount, buy, sell collect and deal in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrant, debenture, certificates, scripts and other instruments and securities whether negotiable or transferable or not in accordance with the guidelines issued by the Reserve Bank of India.*

2. *To carry on the business of the hire purchasers by advancing or lending money upon or without security. But the Company shall not carry on the business of Banking Regulation Act 1949.*

3. *To acquire, hold issue on commission underwrite and to deal in stocks, funds, shares, bonds, securities, obligations and investments of all kinds, dealing in commodities and taking membership on commodity exchange and undertaking of depository participant activities.*

4. *To carry in India all or any or more of the following business, namely the leasing, buying, selling on such terms and conditions as may be determined by the Board of Directors of the Company from time to time.*

5. *To do business as corporate Insurance agents by soliciting, procuring and marketing all types of Insurance namely Life, medical and all other general insurance products.*

6. *To carry on the business as Authorised Dealer, Money Exchanger, Offshore Banker or any other person for the time being in authorised to deal in foreign exchange or foreign securities or such other activities and to undertake Cross Border Inward Money Transfer Activities subject to the rules and regulations of the Reserve Bank of India.*

7. *To promote the financial inclusion of masses by carrying on the business of providing microfinance services and catering to needs of a large number of underprivileged people directly or indirectly, by providing credit including collateral free credit to needy people, especially for empowering women, through their solidarity group, and to deliver micro credit and other permitted financial services to them at their group meetings in the cities, town, villages of India, with a view to providing them with a sustainable livelihood.*

8. *To extend financial assistance, credit facilities, and loans to MSMEs, with or without security for their working capital requirements, expansion plans, capital expenditure, and any other legitimate business purposes as per the guidelines issued by the Reserve Bank of India or other regulatory authorities from time to time.**

9. *To specifically engage in the business of Full-Fledged Money Changing (FFMC) as authorized by the Reserve Bank of India under the Foreign Exchange Management Act, 1999, and any regulations or guidelines issued thereunder and to enter into agreements, partnerships, alliances, or collaborations with authorized dealers, banks, financial institutions, and other entities to facilitate foreign exchange transactions and enhance the reach and efficiency of the FFMC operations. To undertake any other ancillary or incidental activities that are conducive to the attainment of the above objects or are otherwise necessary or desirable for the conduct of the FFMC business of the Company.**

10. *To extend, grant, advance money by way of loans including personal loans whether with or without security inter alia consisting of movable or immovable properties including lending of money against any securities whether transferable or negotiable or not.**

* The Company by way of special resolution passed at the annual general meeting of the Company held on September 30, 2024 approved alteration of the main objects clause in the Memorandum of Association by adding new object clauses as specified in para 8 to 10 above to its Memorandum of Association.

Key Milestones and Major Events

Financial Year	Key Milestones/Major Events
April 13, 2002	Certificate of registration issued by RBI to our Company to act as non-deposit taking NBFC
July 5, 2012	Certificate of registration issued by SEBI to our Company to act as Depository Participant which was renewed on August 21, 2017
November 27, 2013	Our Company was converted to a public limited company
January 1, 2014	Fresh certificate of registration was issued by RBI to act as a non-deposit taking NBFC, pursuant to name change of our Company
2013-2014	Listing of non-convertible debentures issued vide Public Issue 1 on BSE
March 28, 2016	Certificate of registration issued by IRDAI to our Company to act as a Corporate Agent (Composite), with effect from April 1, 2016 (renewed up to March 31, 2028)
2016-2017	Our Company commenced the business of microfinance loans
2023-2024	Listing of non-convertible debentures issued vide Private Placement on BSE
2024-2025	Issue of Commercial Papers

Subsidiaries of our Company

As on the date of this Draft Prospectus our Company does not have any subsidiary.

Holding of our Company

As on the date of this Draft Prospectus our Company does not have any holding company.

Associate of our Company

As on the date of this Draft Prospectus our Company does not have any associate company.

Key terms of Material Agreements

As on the date of this Draft Prospectus our Company has not entered into any material agreements which are not in the ordinary course of business.

OUR MANAGEMENT

Board of Directors

The general superintendence, direction and management of our affairs and business are vested in our Board of Directors. The composition of our Board is governed by the SEBI Listing Regulation and provisions of the Companies Act, 2013, and the rules prescribed thereunder. The Articles of Association of our Company require us to have not less than three (3) and not more than 12 Directors. As on the date of this Draft Prospectus, we have five Directors on the Board which include two Executive Directors and three Non-Executive Directors of which three are the Independent Directors on our Board.

***Details of Board of Directors as on the date of this Draft Prospectus*:**

Name, designation, and DIN	Age (in years)	Address	Date of Appointment	Other directorships
Nizzy Mathew **Designation**: Chairman and Wholetime Director **DIN**: 01680739	71	Muthoottu House, Kozhencherry, Pathanamthitta 689 641, Kerala, India	October 10, 2014	**Indian Companies** 1. Muthoottu Urban Nidhi Limited (Erst while Cochin Mini Muthoottu Nidhi Limited) 2. Mini Muthoottu Credit India Private Limited 3. Muthoottu Finance and Services Private Limited (Erst while Kozhencherry MM Financial Services Private Limited) 4. Muthoottu Mini Hotels Pvt Limited 5. MM Nirman and Real Estate Private Limited (Erst while Mini Muthoottu Nirman And Real Estate Private Limited) 6. Kozhencherry Properties India Private Limited 7. Muthoottu Infotech Private Limited (Erst while R M M Properties India Private Limited) 8. Muthoottu Mini Theatres Private Limited **Foreign Companies** Nil
Mathew Muthoottu **Designation**: Managing Director **DIN**: 01786534	35	Muthoottu House, Kozhencherry, Pathanamthitta 689 641, Kerala, India	March 07, 2008	**Indian Companies** 1. Muthoottu Mini Theatres Private Limited 2. Mini Muthoottu Credit India Private Limited 3. MM Nirman and Real Estate Private Limited (Erst while Mini Muthoottu Nirman And

Name, designation, and DIN	Age (in years)	Address	Date of Appointment	Other directorships
				Real Estate Private Limited) 4. Muthoottu Mini Hotels Private Limited 5. Kandamath Cine Enterprises Private Limited 6. Muthoottu Infotech Private Limited (formerly known as R M M Properties India Private Limited) 7. Kozhencherry Properties India Private Limited 8. Muthoottu Finance and Services Private Limited (formerly known as Kozhencherry M M Financial Services Private Limited) 9. Muthoottu Mini Nidhi Limited **Foreign Companies** Nil
Manojkumar Raveendra Panicker **Designation**: Independent Director **DIN:** 09357326	53	31/988Q, Souparnika Panorama Enclave, Lane 1, Subhash Chandra Bose Road, Vyttila, SO, Ernakulam, Kerala, 682019	September 16, 2021	**Indian Companies** Nil **Foreign Companies** Nil
Mampuzha Mathew Herbert **Designation**: Independent Director **DIN**: 00640728	59	Nilgiri 45/126, Correya Road, Pachalam, Ernakulam, Kerala-682012	April 1, 2024	**Indian Companies** Nil **Foreign Companies** Nil
Venugopal Kuttappan Nair **Designation:** Independent Director **DIN:** 06783512	72	P1, Water Ford Apartments, PK Road, Thevara, Ernakulam, Kerala-682013	October 08, 2024	**Indian Companies** IFCI Infrastructure Development Limited **Foreign Companies** Nil
Babita Teresa George **Designation:** Non-Executive Director **DIN:** 10838844	44	VII/769-D Mani Kulangara Road Thirikkakara Grama Panchayath Kakkanad Ernakulam PIN 682030 Kerala India	November 16, 2024	**Indian Companies** Nil **Foreign Companies**

Name, designation, and DIN	Age (in years)	Address	Date of Appointment	Other directorships
				1. Benne Fin BSC, Bahrain 2. Shachar Technologies Pte Ltd, Singapore 3. Tegs Consulting LLC, UAE 4. Phoenix Connect, UAE 5. Phoenix Connected Finance Service, UAE

Brief profile of the Directors of our Company

Nizzy Mathew, aged 71 years, is the Chairman and Wholetime Director of our Company. She holds a bachelor's degree in arts from the University of Kerala and has been a director of our Company since its incorporation and is responsible for overall management of the Company.

Mathew Muthoottu, aged 35 years, is the Managing Director of our Company. He holds a bachelor's degree in commerce from Mahatma Gandhi University, Kerala. He has been a director of our Company since March 7, 2008 and is responsible for business promotion, expansion and brand building activities of our Company.

Manojkumar Raveendra Panicker, aged 53 years, is an Independent Director of our Company. He is a Fellow Member of the Institute of Chartered Accountants of India and holds certificate of practice as issued by ICAI. He has also qualified the Information System Auditor (DISA) course conducted by ICAI in 2009.

Mampuzha Mathew Herbert, aged 59 years, is a fellow member of the Institute of Chartered Accountants of India, fellow member of the Institute of Public Accountants of Australia and an Associate Member of the Chartered Institute for Securities & Investment (UK). He has more than three decades of experience in the field of finance & accounts, auditing, taxation & company law.

Venugopal Kuttappan Nair aged 72 years is an Additional Independent Director of our Company. He brings extensive expertise across a wide range of assignments in both policing and administration within government roles. Mr. Venugopal K Nair has served as an Independent External Monitor for National Thermo Power Corporation Limited since 2019. He also held the position of Director General of Police (DGP) in Vigilance & Anti-Corruption Bureau, Kerala, in 2012, and previously held various key roles within Kerala Police. He holds masters degree from the University of Leeds, UK, in 1976. He is a retd. IPS officer Kerala Cadre 1979 batch. His key competencies include public policy, governance, personnel management, vigilance, systems improvements, and transparency in operations.

Babita Teresa George aged 44, experience spans both regional and international markets, having held positions with financial institutions, including the National Bank of Ras Al Khaimah and HDFC Bank (U.A.E).

Ms. Babita George holds an MBA from Amrita School of Business, Coimbatore, and a Bachelor's in Mechanical Engineering from the University of Kerala. In addition to her academic accomplishments, she has participated in the General Management Program at IIM Ahmedabad.

Her diverse background and industry recognitions make her a valuable asset in any advisory or leadership role, bringing a well-rounded perspective and a strategic approach to board discussions.

Relationship between Directors

Except as stated below, none of our Directors are related to each other.

Sr. No.	Name of the Director	Designation	Relationship with other Directors
1.	Nizzy Mathew	Chairman and Wholetime Director	Mother of Mathew Muthoottu
2.	Mathew Muthoottu	Managing Director	Son of Nizzy Mathew

Remuneration of Directors

Details of remuneration paid for the current year, Fiscals 2024, 2023 and 2022 by our Company:

(₹ in lakh)

Name of Director	Current financial year till the date of this Draft Prospectus	Fiscal 2024	Fiscal 2023	Fiscal 2022
Nizzy Mathew	165.00	180.00	180.00	180.00
Mathew Muthoottu	269.50	271.50	264.00	239.00
Manojkumar Raveendra Panicker	5.00	3.20	1.55	1.25
Rajagopal Saseendran Mangalathu*	3.70	4.55	3.15	3.15
Mampuzha Mathew Herbert$	4.10	NA	NA	NA
Jose Paul Maliakall#	NA	3.40	1.75	2.55
Venugopal Kuttappan Nair%	1.25	NA	NA	NA
Babita Teresa George^	-	NA	NA	NA

** Rajagopal Saseendran Mangalathu ceased to be director of the Company w.e.f. September 30, 2024*
$ Mampuzha Mathew Herbert appointed as director of the Company w.e.f. April 1, 2024
 # Jose Paul Maliakal ceased to be director of the Company w.e.f. March 31, 2024
% Venugopal Kuttappan Nair was appointed as additional director of the Company w.e.f. October 8, 2024. He was regularized as an as Independent Director at the EGM held on December 23, 2024.
^ Babita Teresa George was appointed as Additional Director by the Board of Directors in the meeting held on November 14, 2024, effective from November 16, 2024 and her appointment was regularised as non executive Director at the EGM held on February 10, 2025

***Remuneration paid to the Directors for the current year and Fiscals 2024, 2023 and 2022 by our Subsidiaries and Associates*:**

Not applicable, as our Company does not have any subsidiaries or associate companies as of the date of this Draft Prospectus.

The terms of remuneration of the Chairman & Wholetime Director are as below:

Particulars	Remuneration
Salary	₹ 15.00 lakh per month
Bonus	₹ Nil
Perquisites	₹ Nil

The terms of remuneration of the Managing Director are as below:

Particulars	Remuneration
Salary	Up to ₹ 25.00 lakh per month
Bonus	₹ Nil
Perquisites	₹ Nil

Confirmations

None of our directors is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by the SEBI.

None of our Directors have been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

None of our Directors is a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Draft Prospectus, in accordance with Chapter V of the SEBI (Delisting of Equity Shares) Regulations, 2021.

None of the director of our Company are promoters or whole time directors of another company that is a wilful defaulter.

None of our Directors have been categorised as a wilful defaulter by the RBI, any government/regulatory authority and/or by any bank or financial institution. None of our Directors are in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six-months.

None of the Directors of our Company interested in the appointment of or acting as lead managers, credit rating agency(ies), underwriter, registrar, debenture trustee, advertising agency, printers, banker to the Issue or any other such intermediary appointed in connection with the Issue.

Borrowing Powers of the Board:

Pursuant to resolution passed by the shareholders of our Company on December 14, 2022 in accordance with provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act and Articles of Association, the Board has been authorised to borrow sums of money as they may deem necessary for the purpose of the business of our Company, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed at any time, the aggregate of the paid-up capital of our Company and its free reserves (that is to say, reserves, not set apart for any specific purposes) by a sum not exceeding ₹ 5,00,000 lakh.

Interest of the Directors:

Except our Promoters, Mathew Muthoottu and Nizzy Mathew no other Directors are interested in the promotion of the Company. Mathew Muthoottu and Nizzy Mathew are holding 1,48,59,912 shares 33,54,446 shares respectively as on December 31, 2024. None of the other directors hold shares in our Company as on December 31, 2024.

All the Directors of our Company, including our Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them. All the Independent Directors of our Company are entitled to sitting fees for attending every meeting of the Board or a committee thereof.

All the directors of our Company, including independent directors, may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

All our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective declarations. Except as otherwise stated in this Draft Prospectus and statutory registers maintained by our Company in this regard, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made with them. Our Company's directors have not taken any loan from our Company.

As of the date of this Draft Prospectus, our Directors have not taken any loan from our Company. Except as disclosed in the Section "*Related Party Transactions*" on page 134 none of our Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

None of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them to become, or to help them qualify as a director, or otherwise for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

No contribution has been made by the directors as part of the Issue or separately.

None of our Directors' relatives have been appointed to an office or place of profit of our Company.

Except as stated in the sections titled "*Related Party Transactions*" on page 134 and to the extent of compensation and commission if any, and their shareholding in our Company, our Directors do not have any other interest in our business.

Our Directors have no interest in any immovable property acquired or proposed to be acquired by our Company in the preceding two years of filing this Draft Prospectus with the RoC nor do they have any interest in any transaction regarding

the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company. No benefit/interest will accrue to our Promoter/Directors/ Key Managerial Person out of the objects of the issue.

Debenture holding of Directors:

Except as mentioned below, as on December 31, 2024, none of the Directors of our Company hold any Debentures issued by our Company under private placement/public issue:

Sr. No.	Name of the Director	Number of Debentures holding	Aggregate amount outstanding as on December 31, 2024 (in ₹)
1.	Nizzy Mathew	3325	33,25,000
2.	Mathew Muthoottu	100	100,000

Details of change in Directors of our Company during last three years preceding the date of this Draft Prospectus and the current financial year:

Name of director, designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Babita Teresa George **Designation:** Non-Executive Director **DIN:** 10838844	November 16, 2024	-	-	Appointed as Additional Director Regularized as Non-Executive Director at the EGM held on February 10, 2025
Venugopal Kuttappan Nair ***Designation:*** Additional Independent Director ***DIN*:** 06783512	October 08, 2024	-	-	Appointed as Additional Director Regularised as Independent Director at the EGM held on December 23, 2024
Rajagopal Saseendran Mangalathu ***Designation***: Independent Director ***DIN***: 08114376	October 1, 2021	-	September 30, 2024	Cessation of tenure of appointment as an Independent Director
Mampuzha Mathew Herbert ***Designation:*** Independent Director **DIN**: 00640728	April 1, 2024	-	-	Appointment as an Independent Director
Jose Paul Maliakal ***Designation***: Independent Director ***DIN***: 07218120	-	-	March 31, 2024	Cessation of tenure of appointment as an Independent Director
Manoj Kumar R ***Designation***: Independent Director ***DIN***: 09357326	April 01, 2023	-	-	Appointment as Independent Director
Manoj Kumar R ***Designation***: Non Executive Director ***DIN***: 09357326	September 30, 2022	-	-	Appointment as Non Executive Director
Manoj Kumar R ***Designation***: Additional Director ***DIN***: 09357326	October 1, 2021	-	-	Appointment as an Additional Director
Rajagopal M.S.	October 1, 2021	-	-	Appointment as an

Name of director, designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Designation: Independent Director ***DIN***: 08114376				Independent Director – 2nd tenure
John V George ***Designation:*** Additional Director ***DIN:*** 09121961	-	-	September 30, 2021	Cessation of tenure of appointment as an Additional Director
Jose Paul Maliakal ***Designation***: Independent Director ***DIN***: 07218120	April 1, 2021	-	-	Appointment as an Independent Director- 2nd tenure

Shareholding of Directors, including details of qualification shares held by Directors as on December 31, 2024:

As on December 31, 2024, none of our Directors hold any qualification shares in our company.

Except as mentioned below, none of the Directors of our Company holds shareholding in our Company:

Name of the Shareholder	No of equity shares	% of total equity share capital of the Company
Mathew Muthoottu	1,48,59,912	59.36%
Nizzy Mathew	33,54,446	13.40%
Manoj Kumar R	-	-
HM Herbert	-	-
Venugopal Kuttappan Nair	-	-
Babita Teresa George	-	-
Total	**1,82,14,358**	**72.76%**

***Shareholding of Directors in Subsidiaries and Associate companies, including details of qualification shares held by Directors as on the date of this Draft Prospectus*:**

Not applicable as our Company does not have any subsidiaries or associate companies.

Key Managerial Personnel:

In addition to Mathew Muthoottu, Managing Director, and Nizzy Mathew, Chairman and Wholetime Director, our Company's Key Managerial Personnel are as follows:

1. ***P. E. Mathai***, aged 74 years, is the Chief Executive Officer of our Company. He holds a bachelor's degree in science from the University of Kerala. He joined our Company in 2019. Prior to joining our Company, he was associated with South Indian Bank Limited and retired as a general manager in 2010. He has also been the chief executive officer with Muthoot Precious Metals Corporation and as general manager with Muthoot Finance Limited.

2. ***Ann Mary George***, aged 49 years, is the Chief Financial Officer of our Company. She holds a bachelor's degree in commerce from the University of Calicut and she is also an Associate Member of the Institute of Chartered Accountants of India. She was appointed as the Chief Financial Officer of the Company on May 30, 2016.

3. ***Smitha K. S.***, aged 51 years, is the Company Secretary of our Company. She holds a graduate degree in English Language and Literature from University of Calicut and she is also an Associate Member of the Institute of Company Secretaries of India. She joined our Company in 2015. Prior to joining our Company, she was associated with Aspinwall and Company Limited.

For details about our Managing Director and Whole Time Director, please refer to "*Our Management – Brief profile of the Directors of our Company*" on page 123.

Compensation of our Company's Key Managerial Personnel

(₹ in lakh)

Name of KMP	Current financial year till date of this Draft Prospectus	For Fiscal 2024	For Fiscal 2023	For Fiscal 2022
Nizzy Mathew	165.00	180.00	180.00	180.00
Mathew Muthoottu	269.50	271.50	264.00	239.00
Mathai PE	119.65	86.10	67.79	61.62
Ann Mary George	72.97	48.72	45.84	42.12
Smitha KS	22.56	23.24	21.84	20.52

Senior Management Personnel of our Company

As on date of this Draft Prospectus, our Company has not identified any Senior Management Personnel.

Corporate Governance

We are in compliance with the requirements in relation to the composition of the Board of Directors and constitution of Committees such as Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee as required under the Companies Act, 2013 and other applicable law.

Details of various committees of the Board:

1. *Audit Committee*

The Audit Committee of our Company was constituted on December 10, 2013 and was re-constituted by a board resolution dated October 8, 2024.

The members of the Audit Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in committee
Manojkumar R	Independent Director	Chairman
Mathew Muthoottu	Managing Director	Member
Mampuzha Mathew Herbert	Independent Directors	Member

2. *Nomination and Remuneration Committee*

The Nomination and Remuneration Committee of our Company was formed *vide* a Board resolution dated April 10, 2014 and was re-constituted at the board meeting dated December 30, 2024.

The members of the Nomination and Remuneration Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in committee
MM Herbert	Independent Director	Member
Manojkumar Raveendra Panicker	Independent Director	Chairman
Venugopal Kuttappan Nair	Independent Director	Member

3. *Stakeholders Relationship Committee*

The Investor Grievance Committee of our Company was 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. The Stakeholders Relationship Committee was re-constituted on dated October 8, 2024.

The members of the Stakeholders Relationship Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in Committee
Manojkumar Raveendra Panicker	Independent Director	Chairman

Name of the Director	Designation	Designation in Committee
Nizzy Mathew	Chairman and Wholetime Director	Member
Mathew Muthoottu	Managing Director	Member

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

The CSR Committee has been constituted vide a Board resolution dated April 10, 2014 and was re-constituted on dated October 8, 2024.

The members of the CSR Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in Committee
Manojkumar Raveendra Panicker	Independent Director	Chairman
Mathew Muthoottu	Managing Director	Member
Nizzy Mathew	Chairman and Wholetime Director	Member

5. ***Debenture Committee***

The Debenture Committee of our Company was constituted vide a Board resolution dated December 10, 2013 and was re-constituted on dated October 8, 2024.

The members of the Debenture Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in Committee
Manojkumar Raveendra Panicker	Independent Director	Chairman
Nizzy Mathew	Chairman and Wholetime Director	Member
Mathew Muthoottu	Managing Director	Member

6. ***Risk Management Committee***

The Risk Management Committee of our Company was constituted *vide* a Board resolution dated April 22, 2013 and was re-constituted on dated October 8, 2024.

The members of the Risk Management Committee as on date of this Draft Prospectus are:

Name of the Director	Designation	Designation in Committee
Manojkumar Raveendra Panicker	Independent Director	Chairman
Mathew Muthoottu	Managing Director	Member
Nizzy Mathew	Chairman and Wholetime Director	Member

7. ***Borrowings and investments committee***

The Borrowings and investment Committee of our Company was constituted vide a Board resolution dated October 8, 2024.

Name of the Director	Designation	Designation in Committee
Manojkumar Raveendra Panicker	Independent Director	Chairman
Nizzy Mathew	Chairman and Whole Time Director	Member
Mathew Muthoottu	Managing Director	Member

8. IT Strategy committee was last re-constituted vide a Board resolution dated April 17, 2024 as a full fledged Board committee during FY 2024-25 in compliance of RBI Master Direction on Information Technology Governance, Risk Controls and Assurance Practices.

Name of the Director	Designation	Designation in Committee
Manojkumar Raveendra Panicker	Independent Director	Chairman
Nizzy Mathew	Chairman and Whole Time Director	Member
Mathew Muthoottu	Managing Director	Member

OUR PROMOTER

The Promoters of our Company are Nizzy Mathew and Mathew Muthoottu

Profile of the Promoters:

As on December 31, 2024, Nizzy Mathew holds 33,54,446 Equity Shares amounting to 13.40% and Mathew Muthoottu holds 1,48,59,912 Equity Shares amounting to 59.36%, of our Company's issued and paid-up capital of our Company.

Profile of our Promoters

	Nizzy Mathew Nizzy Mathew, aged 71 years, is the Chairman and Wholetime Director of our Company. She has been a director of our Company since its incorporation and is responsible for overall management of the Company. **Date of Birth**: July 30, 1953 **Nationality**: Indian **Occupation**: Business **Education qualifications**: She holds a bachelor's degree in arts from the University of Kerala. **Experience in business or employment**: 26 Years
	Mathew Muthoottu Mathew Muthoottu, aged 35 years, is the Managing Director of our Company. He has been a director of our Company since March 7, 2008 and is responsible for business promotion, expansion and brand building activities of our Company. **Date of Birth**: August 29, 1989 **Nationality**: Indian **Occupation**: Business **Education qualifications**: He holds a bachelor's degree in commerce from Mahatma Gandhi University, Kerala. **Experience in business or employment**: 16 Years

For more details regarding the Promoter, please see "*Our Management*" on page 121.

Other ventures and Promoter Group

Our Promoters have investments in our Company including the following entities:

Promoter Group Entities:

1	Muthoottu Mini Hotels Private Limited
2	Muthoottu Mini Theatres Private Limited
3	Muthoottu Finance And Service Private Limited (formerly known as Kozhencherry MM Financial Services Private Limited)
4	Muthoottu Infotech Private Limited (formerly known as R M M Properties India Private Limited)
5	MM Nirman and Real Estate Private Limited (formerly known as Mini Muthoottu Nirman & Real Estate Private Limited)

6	Kozhencherry Properties India Private Limited
7	Mini Muthoottu Nidhi Kerala Limited
8	Muthoottu Mini Nidhi Limited
9	Muthoottu Urban Nidhi Limited (formerly known as Cochin Mini Muthoottu Nidhi Limited)
10	Mini Muthoottu Credit India Private limited
11	Kandamath Cine Enterprises Private Limited

Other Confirmations:

Our Company confirms that the PAN, AADHAR number, driving license number, passport number, personal address and bank account number(s) of the Promoters and PAN of Directors have been submitted to the Stock Exchange at the time of filing this Draft Prospectus.

Our Promoters and the relatives of the Promoters as per the Companies Act, have not been identified as Wilful Defaulters by the RBI/ECGC or any other governmental authority.

No violation of securities laws has been committed by our Promoters in the past or is currently pending against it except as disclosed in section titled "*Outstanding Litigations – Litigations involving our Promoters*" on page 178.

Our Promoters were not a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Draft Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Our Promoters or directors have not been restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by it by any stock exchange in India or abroad.

Our Promoters are not a promoter of another company which is debarred from accessing the securities market or dealing in securities under any order or directions passed for any reasons by SEBI.

Our Promoters are not a fugitive economic offender.

Our Promoters are not a promoter of another company that is a wilful defaulter.

None of the member forming part of our Promoter Group have been restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling or dealing in securities under any order or directions passed for any reasons by SEBI or any other authority or refused listing of any of the securities issued by any stock exchange in India or abroad.

Common pursuits of our Promoters

Our Promoters are not engaged in businesses similar to ours.

Interest of our Promoters in our Company

Except as stated under the chapter titled "*Financial Information*" beginning on page 135, and to the extent of their shareholding in our Company, our Promoters does not have any other interest in our Company's business.

Our Promoters do not intend to subscribe to this Issue.

Payment of benefit to our Promoter for last three financial years

Other than as disclosed under the *"Related Party Transactions" and "Our Management"*, available at page 134 and 121, respectively and the dividend that declared and paid by our Company, our Company has not made payments of any benefits to the Promoter during last three financial year preceding the date of this Draft Prospectus.

Interest of our Promoter in property, land and construction

Our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of filing of this Draft Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Change in Promoters' holdings during the preceding financial year beyond the threshold specified by RBI from time to time

Our Promoters' shareholding in our Company has not changed beyond the threshold specified by RBI from time to time during the preceding financial year.

RELATED PARTY TRANSACTIONS

For details of the related party transactions entered during the Fiscals 2024, Fiscal 2023 and Fiscal 2022 in accordance with the requirements under Ind AS 24 "Related Party Disclosures" notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see Annexure IV, refer to page F130-F131 Note (V)(4), F222-F227 Note (V)(4) and F350-F354 Note (V)(4), respectively.

Related party transactions entered during the Fiscal 2024, Fiscal 2023 and Fiscal 2022 with regard to loans made or, guarantees given or securities provided

(₹ in lakh)

Name of Related Party	Fiscal	Loans Made	Guarantees given	Securities provided
NIL	2022	NIL	NIL	NIL
NIL	2023	NIL	NIL	NIL
NIL	2024	NIL	NIL	NIL

Related party transactions entered during the current financial year for the period from April 1, 2024, till March 25, 2025 with regard to loans made or, guarantees given or securities provided

(₹ in lakh)

Name of Related Party	Loans Made	Guarantees given	Securities provided
NIL	NIL	NIL	NIL

SECTION V - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

No.	Particulars	Page No.
1.	Unaudited Financial Results for the nine months period ended December 31, 2024	F1-F16
2.	Audited Financial Statements for the year ended March 31, 2024	F17-F149
3.	Audited Financial Statements for the year ended March 31, 2023	F150-F285
4.	Audited Financial Statements for the year ended March 31, 2022	F286-F396

MATERIAL DEVELOPMENTS

Other than as disclosed below, and elsewhere in this Draft Prospectus, there have been no material developments since April 1, 2024 till the March 25, 2025 and there has arisen no circumstance that materially or adversely affect the operations, or financial condition or profitability of the Company or the value of its assets or its ability to pay its liabilities within the next 12 months.

Sanction of working capital facilities and raising of funds through issuance of non-convertible debentures, subordinated debt and commercial papers

1. As on December 31, 2024 the Company had total outstanding borrowings of ₹ 3,83,150.64 lakhs.
2. The following events occurred between January 1, 2025 – March 25, 2025
    a) The Company has raised private issue of secured, redeemable, non-convertible debenture amounting to ₹ 13,600.00 lakhs.
    b) The Company has raised funds through subordinated debt amounting to ₹ 78.5 lakhs.
    c) The Company has raised funds through commercial paper amounting to ₹ 10,200.00 lakhs.
    d) The Company has redeemed secured public issue of non-convertible debenture amounting to ₹ 9,747.78lakhs.
    e) The Company has redeemed commercial paper amounting to ₹ 11,500.00 lakhs.
    f) The Company, pursuant to sanction letter dated January 13, 2025 with IDFC First Bank has been sanctioned Term Loan of ₹ 15,000.00 lakhs.
    g) The Company, pursuant to sanction letter dated January 10,2025 with DCB Bank has been sanctioned enhancement of WCDL of ₹ 2,500.00 lakhs.
    h) The Company, pursuant to sanction letter dated January 21, 2025 with Utkarsh Small Finance Bank has been sanctioned Term Loan of ₹ 3,500.00 lakhs.
    i) The Company, pursuant to sanction letter dated February 25, 2025 with Poonawalla Fincorp has been sanctioned Term Loan of ₹ 5,000.00 lakhs.
    j) The Company, pursuant to sanction letter dated March 13, 2025 with Oxyzo Financial Services Ltd has been sanctioned Term Loan of ₹ 1,500.00 lakhs.
    k) The Company, pursuant to renewed sanction letter dated March 14, 2025 with Kerala Financial Corporation has been sanctioned Term Loan of ₹ 5,000.00 lakhs.
    l) The Company, pursuant to sanction letter dated March 20, 2025 with Union Bank of India has been sanctioned Term Loan of ₹ 2,500.00 lakhs.
    m) The Company, pursuant to sanction letter dated March 21, 2025 with Standard Chartered Bank has been sanctioned Term Loan of ₹ 9,500.00 lakhs and Short-Term Facility ₹ 100.00 lakhs.

Alteration to Memorandum of Association and Articles of Association

1. The Company has altered its Memorandum of Association by aligning the existing memorandum of association as per the provisions of Companies Act, 2013 which has been approved by way of special resolution passed at the annual general meeting of the Company held on September 30, 2024.
2. The Company has further by way of special resolution passed at the annual general meeting of the Company held on September 30, 2024 approved alteration of the main objects clause in the Memorandum of Association by adding new object clauses to its Memorandum of Association.

FINANCIAL INDEBTEDNESS

As on December 31, 2024 our Company had outstanding total borrowings of ₹ 3,83,150.64 lakh:

Sr. No.	Nature of Borrowings	Amount Outstanding as on December 31, 2024 *(in ₹ lakh)*	%
1.	Secured borrowings	3,15,168.37	82.26%
2.	Unsecured borrowings	67,982.27	17.74%
Total Borrowings		**3,83,150.64**	**100.00%**

Set forth below, is a summary of the borrowings by our Company outstanding as on December 31, 2024, together with a brief description of certain significant terms of such financing arrangements.

A. Details of secured borrowings:

Our Company's secured outstanding borrowings as on December 31, 2024 of ₹ 3,15,168.37 lakh. The details of the secured borrowings are set out below.

- ***Term Loans and Working Capital Demand Loan from Banks/ Financial Institutions:***

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
1	Bandhan Bank	Term Loan	7,500.00	2,205.43	June 15, 2025	24 equal monthly instalments of ₹ 312.50 lakhs	2.00 %	Paripassu first charge over the Gold Loan receivables (both present and future) excluding microfinance receivables and other current assets of the company, with other secured lenders (Banks & NCD Holders) with security asset coverage ratio of 1.15xtimes to be maintained at all times both present& future of the company	10%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
2	Bandhan bank	Term loan	10,000.00	6,725.27	March 26, 2026	24 equal monthly instalments of ₹ 417 after 3 months morotarium	2%		8%		A-; Stable	Standard
3	Bandhan bank	Term loan	6,000.00	6,052.74	October 01, 2026	24 equal monthly instalments of ₹	2%		10%		A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
						417 after 3 months morotarium						
4	Bank of Baroda	Term Loan	7,500.00	2,000.00	August 31, 2025	30 monthly instalments of ₹250 lakhs	2%	First pari-passu charge by way of hypothecation of all chargeable current assets, book debts, loans and advances and receivables including gold loan receivables (excluding micro finance receivable which is exclusively charged to Tata Capital) both present and future, along with other lenders including NCD holders with security margin of 25% on chargeable current assets, Any underlying /receivables classified as NPA should be replaced / excluded. Minimum security coverage of 1.33 times to be maintained.	25%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
z												

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
5	Bank of Maharashtra	Term Loan	10,000.00	2,033.53	June 29, 2025	5 Half yearly instalment of Rs. 2000 lakhs each	2% of pre-paid amount, if the prepaid amount is more than 25% of the SANCTIONED AMOUNT	First Pari-Passu charge by way of Hypothecation of standard loan receivables of the company to the extent of 1.11 times of outstanding loan.	25%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
6	Bank of Maharashtra	Term Loan	10,000.00	5,709.36	May 09, 2026	30 monthly instalments of ₹334 lakhs			20%		A-; Stable	Standard
7	Bajaj Finance Ltd	Term loan	3,000.00	1625.00	January 05, 2025	24 equal monthly installments of 125 lakhs	2%	First Paripassu charge on the goldloan receivables present and future of the borrower byway of hypothecation of gold loan receivables with a minimum asset cover of 1.25x and current assets of the company excl MF receivables	Nil	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
8	Bajaj Finance Ltd	Term loan	3,500.00	3500.00	December 05, 2026	24 equal monthly installments						

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
9	Canara Bank	Term Loan	5,000.00	416.50	March 21, 2025	35 monthly instalments of ₹278 lakhs and last instalment of ₹270 lakhs	As applicable at the time of prepayment	Pari-passu first charge on gold loan receivables of the company (present & future) along with other secured lenders with 1.25x margin.	25%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
10	Canara Bank	Term Loan	6,500.00	2164.00	December 21, 2025	35 monthly instalments of ₹111 lakhs and last instalment of ₹150 Lakhs					A-; Stable	Standard
11	Canara Bank	Term Loan	4,000.00	888.89	August 05, 2025	35 monthly instalments of ₹181 lakhs and last instalment of ₹165 Lakhs					A-; Stable	Standard
12	Canara Bank	Term loan	5,000.00	3054.33	October 20, 2026	35 monthly instalments of ₹139 lakhs and last instalment of ₹135 Lakhs					A-; Stable	Standard
13	Catholic Syrian Bank	Term Loan	3,000.00	733.73	January 21, 2026	54 installments of Rs.55.56 lakhs Holiday period 6 months	@2% on the drawing power/ if	Pari-passu first charge on gold loan receivables of the company (present & future) along with other	25%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
14	Catholic Syrian Bank	Term Loan	5,000.00	5,000.00	December 31, 2026	7 Quarterly installments of Rs.714 lakhs Holiday period 6 months	the residual period of the term loan is less than half of sanctioned tenure. @3% if otherwise	secured lenders with 25% margin.		and Corporate Guarantee of M/s Muthoottu Mini Hotels Pvt Ltd	A-; Stable	Standard
15	Equitas Small Finance Bank	Term Loan	4,000.00	3555.50	March 05, 2026	18 installments of Rs.2.22 cr each	2%	First pari passu charge on all standard gold loan receivables and current assets of the Company, both current and future to the extent of 1.10x to be maintained at all times.	10%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
16	Federal Bank	Term Loan	2,500.00	2020.80	July 30, 2026	24 Monthly Instalments	3%	Hypothecation of entire Gold loan receivables iincluding interest accrued on Gold Loan) of the Company on first Pari passu basis with other lenders in Multiple Banking	10%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								arrangement and NCD holder with a margin of 15%				
17	HDFC	Term Loan	5,000.00	883.09	February 04, 2025	18 months Quarterly repayments	4%	Pari-passu first charge over entire current assets of the company including gold loan receivables (present and future) which are standard assets along with other existing lenders under Multiple Banking Arrangements with 15% Margin.	25%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
18	HDFC	Term Loan	2,500.00	2107.32	March 07, 2026	18 months Quarterly repayments					A-; Stable	Standard
19	Indian Bank	Term Loan	5,000.00	3364.72	March 29, 2025	11 quarterly instalments of ₹455 Lakhs	2%	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, with 20% margin	25%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
20	Indian Bank	Term loan	5,000.00	461.68	December 12, 2024	12 Quarterly installments of Rs.417 lakhs					A-; Stable	Standard
21	IDFC First Bank	Term Loan	12,500.00	5555.83	April 20, 2026	36 equal monthly installments	Prepayment not allowed	First Pari passu charge of standard book debts and receivables with security cover of 1.15x.	15%	Personal Guarantee of Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
22	IDFC First Bank	Term Loan	12,500.00	9722.22	April 22, 2027	36 equal monthly installments					A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
23	Indian Overseas Bank	Term Loan	5,000.00	3612.50	March 31, 2028	53 installments of 92.5 lakhs and last one installment of 97.5 lakhs	At the discretion of bank	First Pari passu charge of standard book debts and receivables and all other current ssets equivalent to 1.33x times of the outstanding loan amount.excluding micro finance receivables.	25%	Personal Guarantee of Promoters Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
24	Indian Overseas Bank	Term Loan	5,000.00	5000.00	July 31, 2027	53 installments of 92.5 lakhs and last one installment of 97.5 lakhs	At the discretion of bank				A-; Stable	Standard
25	Karnataka Bank	Term Loan	5,000.00	1107.06	January 21, 2025	30 monthly instalments of ₹162 lakhs and last instalment of ₹140 Lakhs	Prepayment/ foreclosure charges are waived ilthe reset /new interest rate is not acceptable to the Borrower, subject to prep	Pari Passu First Charge on the current assets, loans and advances and standard receivables of the Company excluding micro finance receivables with minimum asset cover of 1.10 times of the outstanding loan amount at any point of time.	Nil	Personal Guarantee of Promoters Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
							aymentwithin 45 days from the date of communication of reset					
26	Karur Vysya Bank	Term Loan	2,500.00	909.09	February 14, 2027	57 monthly instalments of ₹44 Lakhs with 3 months morotorium	3%	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), with a amrgin of 25%	Equitable Mortgage of – land in Pazhayatheruvu Junction, Extent of 32.79 ares, Kozhencherry Village, Kozhencherry Taluk, Pathanamthitta District standing in the name of M/s Muthoottu Mini Hotels Private Limited. Kozhencherry Village, and Lien on Fixed Deposits to the tune of	Personal guarantee of Nizzy Mathew and Mathew Muthoottu Corporate Guarantee of M/s Muthoottu Mini Hotels Pvt Ltd.	A-; Stable	Standard
27	Karur Vysya Bank	Term Loan	2,500.00	1140.35	December 31, 2025	11 Quarterly instalments of ₹227.27 Lakhs					A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									₹ 468 lakhs (TD No. 150346 4000000131)			
28	Karur Vysya Bank	Term Loan	4,000.00	3636.36	April 05, 2027	11 quarterly installments of rs3.36 Cr after 3 months holiday period. Tenor of 36 months	3%		25% cash collateral	Personal Guarantee of Promoters Mr. Mathew Muthoottu and Mrs. Nizzy Mathew	A-; Stable	Standard
29	Oxyzo Financial Services	Term Loan	5,000.00	3333.33	November 05, 2025	18 equal monthly repayments	Not allowed	First Paripassu charge on the goldloan receivables present and future of the borrower byway of hypothecation of gold loan receivables with a minimum asset cover of 1.10x and current assets of the company excl MF receivables	10%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
30	Oxyzo Financial Services	Term Loan	1,500.00	1500.00	May 30, 2026	18 equal monthly repayments					A-; Stable	Standard
31	Poonawalla Fincorp	Term Loan	7,500.00	7500.00	November 05, 2026	24 equal monthly installments	2%	First Paripassu charge on the goldloan receivables present and future of the borrower byway of hypothecation of gold loan	Nil	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								receivables with a minimum asset cover of 1.10x and current assets of the company excl MF receivables				
32	Punjab and Sind Bank	Term Loan	2,500.00	227.27	March 31, 2025	33 monthly instalments of ₹76 Lakhs	No penalty, 1% if take over.	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)	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
33	South Indian Bank	Term Loan	5,000.00	4444.00	August 31, 2027	36 monthly instalments of ₹1.39 Crs	least of the following : 1)6 Emi 2)10 % of the loan amt	First Pari passu charge along with other secured lenders, by way of hypothecation of current portion of gold loan receivables of standard assets (other than those secured to term loan lenders) with a margin of 1.33x.	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
34	UCO Bank	Term Loan	5,000.00	2719.30	July 31, 2027	57 equal monthly instalments	At the discretion of bank	First hypothecation charge on receivables including advances against Security Of gold both present and future, on pari-passu basis along with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit, OD etc) and debenture holders and hypothecation charge over other chargeable current assets of the company (both present and future) on pari- passu basis with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit. OD etc) and debenture holders.The company has to maintain security cover of 1.33 times	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew.	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
35	UCO Bank	Term Loan	5,000.00	2916.67	September 18, 2026	36 equal monthly installments			25%		A-; Stable	Standard
36	Ujjivan Small Finance Bank	Term Loan	2,500.00	1833.33	November 30, 2025	15 MONTHLY INSTALLMENTS	2%	Pari passu first charge on standard book debts and receivables with 1.10x cover in line with existing pari passu charge holders (excluding Micro Finance Loans Receivables).	15%	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard
37	Woori Bank	Term Loan	5,000.00	4375.00	September 30, 2026	24equal monthly installments	2%	Pari passu first charge on standard book debts and receivables with 10% margin in line with existing pari passu charge holders (excluding Micro Finance Loans Receivables).	NIL	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard
38	Tata Capital	Term Loan - Microfinance	2,000.00	95.24	January 05, 2025	21 monthly instalments of ₹95.24 Lakhs - 3 months morotorium	4%	exclusive charge by way of hypothecation over loan assets/book debts of the company micro finance Book((both present & future) at minimum of 1.25x of the loan outstanding.	NIL	Personal guarantee of Mrs.Nizzy Mathew and Mr. Mathew Muthoottu	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								Portfolio hypothecated should have NIL Overdues.				
39	Tata Capital	Term Loan - Micro finance	2,000.00	2000.00	April 31, 2026	21 monthly instalments of ₹95.24 Lakhs - 3 months morotorium	4%	Exclusive charge by way of hypothecation over loan assets/ book debts of the company's Micro Finance Book (both present & future) at minimum of 1.15x of the loan outstanding	NIL		A-; Stable	Standard
40	Hinduja Leyland Finance	Term Loan - Micro finance	1,500.00	137.63	February 20, 2025	24 equal monthly instalments	2%	a first and exclusive charge by way of hypothecation over identified Receivables that meets the eligibility criteria ("Hypothecated Property"j such that the Security Cover (provided hereinafter) is met. The Hypothecated Receivables shall at all times be equal to the value af 1.10 (One Decimal Point One Zero) times the outstanding amounts of	NIL	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								the Facility. Exclusive Charge on Microfinance receivables.				
41	Union Bank of India	Term Loan - Microfinance	2,500.00	1250.00	June 21, 2026	36 monthly instalments of ₹69.44 lakhs and last instalment of ₹69.60 Lakhs	2%	Exclusive charge on hypothecation of micro finane receivables with 10 % margin	10%	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard
42	Union Bank of India	Term Loan - Microfinance	2,500.00	1805.56	December 15, 2027	36 monthly instalments of ₹69.44 lakhs and last instalment of ₹69.60 Lakhs	2%		10%		A-; Stable	Standard
43	Union Bank of India	Term Loan - Microfinance	2,500.00	2083.33	June 30, 2027	36 monthly instalments of ₹69.44 lakhs and last instalment of ₹69.60 Lakhs	2%		10%	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard
44	Bajaj Finance Ltd	Term Loan - Microfinance	1,500.00	851.19	January 05, 2026	24 equal installments	2%	Exclusive charge on hypothecation of micro finane receivables with 25 % margin	NIL	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard
45	State Bank Of India	Vehicle Loan	80.00	18.00	January 27, 2026	84 installments	NIL	NA	NA	Personal Guarantee of Promoters	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
										Mr Mathew Muthoottu and MRs. Nizzy Mathew		
46	South Indian Bank	Vehicle Loan	78.00	71.86	August 05, 2029	60 installments	4%	NA	NA	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard
47	HDFC	Vehicle Loan	71.00	56.18	February 07, 2030	84 installments	NIL	NA	NA	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard
48	HDFC	Vehicle Loan	65.00	58.48	December 03, 2030	84 installments	NIL	NA	NA	Personal Guarantee of Promoters Mr Mathew Muthoottu and MRs. Nizzy Mathew	A-; Stable	Standard
49	Catholic Syrian Bank	WCDL	2,500.00	2,499.96	NA	On demand	0.02	Pari-passu first charge on gold loan receivables of the company (present & future) along with other secured lenders with 25% margin.	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
50	DCB	WCDL	2,500.00	2,480.02	NA	On demand	2.00 %	1st paripassu charge on receivables/book debts (Pertaining to	10%	Nil	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								gold loan book) other than those specifically charged to other lenders covering 125% of our exposure at all times.				
51	Dhanlaxmi Bank	WCDL	2,940.00	2,940.00	NA	On demand	3.00 %	Paripasu first charge by way of Hypotecation of Current Assets, loans and advances and book debts including gold loan receivables of the company with 20% margin with other lenders and NCD Lenders	Collateral security : Equitable mortgage of 34.39 ares of vacant land Pathanamthitta District in the name of Muthottu Mini Theatres (Private) Limited, Equitable mortgage of 2.40 ares land with 4500 Sq. ft 3 storied building in name o MM Hotels Pvt Ltd Pathanamthitta District	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									and Fixed Deposit of 551 lakhs			
52	HDFC	WCDL	12,500.00	5,100.00	NA	On demand	4.00 %	First pari passu charge on all current assets of the Company, both current and future including receivables (Gold loan receivables excluding Micro Finance receivables) for working capital limit with 15% margin	**25%**	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
53	Indian Bank	WCDL	1,000.00	1,008.62	NA	On demand	Na	First pari passu charge on all current assets of the Company, both current and future including receivables (Gold loan receivables excluding Micro Finance receivables) for working capital limit with 20%margin	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
54	IDBI	WCDL	2,400.00	2,400.00	NA	On demand	Na	Pari passu first charge on entire receivables/gold loans and other current assets of the company, both present	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								and future. With other secured lenders and NCD holders				
55	IDFC First Bank	WCDL	500.00	504.52	NA	On demand	no prepayment	First Pari passu charge of standard book debts and receivables with security cover of 1.15x.	Nil	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
56	Indusind Bank	WCDL	17,000.00	17,000.00	NA	On demand	2%	Pari passu charge on the Book Debts and Receivables and other current assets together with secured debenture holders and working capital bankers, with IBL's Security cover of 1.33x. Others working capital bankers have security cover 1.33x/1.25x. NCD holders have security cover of 1x	05.85 ares along with a three storied building comprises Kollam Taluk;09.250 cents (03.74 Ares) situated at Vanchiyoor, Trivandrum along with building and Property having an extent of 19 cents (07.69 ares) and all other things attached thereto	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									comprised, AdoorTaluk, cash collateral by way of FDR of 25% of limit above 100 crores			
57	Karur Vysya Bank	WCDL	2,000.00	2,016.25	NA	On demand	3.00 %	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), 25% margin	Equitable Mortgage of – land in Pazhayatheruvu Junction, Extent of 32.79 ares, Kozhencherry Village, Kozhencherry Taluk, Pathanamthitta District standing in the name of M/s Muthoottu Mini Hotels Private Limited. Kozhencherry Village, and Lien on Fixed Deposits to the tune of	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									₹ 468 lakhs (TD No. 150346 4000000131)			
58	Punjab National Bank	WCDL	3,000.00	3,000.00	NA	On demand	at discretion of bank	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,	Equitable/Registered Mortgage of immovable property multiplex theatre Dhanya & Remya, situated at Survey No. 34, M. C. Road, Kottayam, KeralaFD of ₹ 258 lakhs.	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
59	State Bank Of India	WCDL	4,000.00	4,028.30	NA	On demand	at discretion of bank	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	Equitable mortgage of 32.86 ares of land regarding serial number 219/2, block number 13 in Maradu village, in the name of Muthoottu Mini Theatre	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									s Private Limited			
60	South Indian Bank	WCDL	6,000.00	6,000.00	NA	On demand	3.00 %	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	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
61	Union Bank Of India	WCDL	6,000.00	5,997.99	NA	On demand	3.00 %	Paripassu first charge on the standard receivables (maturing within one Year)and current assets of the company present and future along with other Ienders,25% margin	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	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									the name of M/s Muthoottu Mini Financiers Ltd - EM of 16.17 Ares (40 cents) of land in Sy. No. 33/3/1, 33/3/1-1, 33/3/1-2, 33/3/1/3 and 33/3/1/4 situated at Pathanamthitta village, Kerala.- Pledge of Deposit no: 012520100083648, 361203230000486 and 361203230000569 in the name of M/s Muthoottu Mini Financiers Ltd.			
62	Yes Bank	WCDL	6,000.00	6,000.00	NA	On demand	NA	Paripassu first charge charge on standard book debts and	25%	Personal guarantee of Mathew Muthoottu	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								receivables with 1.2x cover in line with existing pari passu charge holders (excluding Micro Finance Loans Receivables).		and Nizzy Mathew		
63	Bandhan bank	OD	400.00	384.81	NA	On demand	0%	Paripassu first charge over the Gold Loan receivables (both present and future) excluding microfinance receivables and other current assets of the company, with other secured lenders (Banks & NCD Holders) with security asset coverage ratio of 1.15xtimes to be maintained at all times both present& future of the company	10%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
64	City Union Bank	OD	1,000.00	957.15	NA	On demand	2.00 %	Pari Passu Flrst charge over the gold loan receivables (both present and tuture) and other standard receivables of the Company; and other	NIL	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								current assets of the company wrth other secured lenders (banks & NCD holders) with margin of 25%to be maintained at ail times.				
65	Dhanlaxmi Bank	CC	1,960.00	1,946.46	NA	On demand	3.00 %	Paripasu first charge by way of Hypotecation of Current Assets, loans and advances and book debts including gold loan receivables of the company with 20% margin with other lenders and NCD Lenders	Collateral security : Equitable mortgage of 34.39 ares of vacant land Pathanamthitta District in the name of Muthottu Mini Theatres (Private) Limited, Equitable mortgage of 2.40 ares land with 4500 Sq. ft 3 storied building in name o MM Hotels Pvt Ltd Pathana	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									mthitta District and Fixed Deposit of 551 lakhs			
66	IDBI	CC	1,600.00	1,579.11	NA	On demand	Na	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	**25%**	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
67	Indusind Bank	CC	3,000.00	2,848.43	NA	On demand	2%	Pari passu charge on the Book Debts and Receivables and other current assets together with secured debenture holders and working capital bankers, with IBL's Security cover of 1.33x. Others working capital bankers have security cover 1.33x/1.25x. NCD holders have security cover of 1x	05.85 ares along with a three storied building comprises Kollam Taluk;09.250 cents (03.74 Ares) situated at Vanchiyoor, Trivandrum along with building and Property having an extent of 19 cents	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									(07.69 ares) and all other things attached thereto comprised, AdoorTaluk, cash collateral by way of FDR of 25% of limit above 100 crores			
68	Karur Vysya Bank	CC	500.00	474.90	NA	On demand	3.00 %	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), 25% margin	Equitable Mortgage of – land in Pazhayatheruvu Junction, Extent of 32.79 ares, Kozhencherry Village, Kozhencherry Taluk, Pathanamthitta District standing in the name of M/s Muthoottu Mini Hotels Private Limited. Kozhencherry	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									Village, and Lien on Fixed Deposits to the tune of ₹ 468 lakhs (TD No. 150346 400000 0131)			
69	Punjab National Bank	CC	2,000.00	1,994.48	NA	On demand	at discretion of bank	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,	Equitable/Registered Mortgage of immovable property multiplex theatre Dhanya & Remya, situated at Survey No. 34, M. C. Road, Kottayam, KeralaFD of ₹ 258 lakhs.	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard
70	South Indian Bank	CC	4,000.00	3,982.55	NA	On demand	3.00 %	First paripasu charge along with other secured lenders, by way of hypothecation of current portion of loan receivables of standard assets (other than those	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								secured to term loan lenders) and which are not overdue as per RBI/Regulatory guidelines				
71	Union Bank Of India	CC	4,000.00	3,960.32	NA	On demand	3.00 %	Paripassu first charge on the standard receivables (maturing within one Year)and current assets of the company present and future along with other Ienders,25% margin	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 - EM of 16.17 Ares (40 cents) of land in Sy. No. 33/3/1, 33/3/1-1,	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
									33/3/1-2, 33/3/1/3 and 33/3/1/4 situated at Pathanamthitta village, Kerala.- Pledge of Deposit no: 012520100083648, 361203230000486 and 361203230000569 in the name of M/s Muthoottu Mini Financiers Ltd.			
72	UCO Bank	CC	2,000.00	1,964.44	NA	On demand	2.00 %	First hypothecation charge on receivables including advances against Security Of gold both present and future, on pari-passu basis along with other WC lenders and debenture holders and hypothecation charge over other chargeable	25%	Personal guarantee of Mathew Muthoottu and Nizzy Mathew	A-; Stable	Standard

Sr. No.	Lender's Name	Type of the Facility	Amount of loan Sanctioned	Principal amount outstanding as on December 31, 2024	Maturity date	Repayment schedule	Prepayment Penalty	Security			Credit Rating (if applicable)	Asset Classification
								Primary Security	Cash Collateral	Guarantee		
								current assets of the company (both present and future) on pari- passu basis. lhe company has to maintain security cover of 1.33 times				
73	Bank of Baroda	Credit Card	400.00	353.62	NA	NA	Nil	Second Charge on FD placed with Bank of Baroda to an extent of ₹ 400 lakh				
Total principal outstanding			**3,01,994.00**	**2,03,883.60**								
Add: Interest accrued				316.37								
Less: Unamortised expenses				(828.97)								
Outstanding borrowings as per Ind AS				**2,03,371.00**								

Penalty Clause

Penalty clause inter alia includes non- submission of documents for renewal of credit facilities, non-submission of stock statement, non-submission of stock and property insurance policy including renewal policy, non- compliance in documentation for the credit policy

Rescheduling

None of the loan documents provides for rescheduling provisions

Event of Default

Event of default inter alia includes default in payment of interest and/ or repayment of principal, breach of covenants.

- ***Cash Credit / Overdraft against Fixed Deposit ("ODFD") facility availed by our Company:***

Sr. No.	Lender's Name	Date of Sanction/latest renewal date	Amount Sanctioned (₹ in lakh)	Principal Amount Outstanding as on December 31, 2024 (₹ in lakh)	Repayment Date/Schedule	Security	Prepayment Clause in loan agreement	Credit Rating, if applicable	Asset Classification
NIL									

- ***External Commercial Borrowings***

As on December 31, 2024 our Company has not taken any external commercial borrowings.

- ***Secured Redeemable Non-Convertible Debentures***

1. **Private Placement of secured unlisted redeemable non-convertible debentures as on December 31, 2024**

As on December 31, 2024, our Company has not issued on private placement basis, secured, unlisted, redeemable, non-convertible debentures that remain outstanding.

2. **Private Placement of secured listed redeemable non-convertible debentures as on December 31, 2024**

Our Company has issued on private placement basis, secured, unlisted, redeemable, non-convertible debentures under various series of which ₹ 24,612.35 lakh is outstanding as on December 31, 2024, the details of which are set forth below:

Sr. No.	Series	ISIN	Date of allotment	Redemption Schedule / Maturity Date	Tenure	Coupon	Principal Amount outstanding as on December 31, 2024 (₹ in lakh)	Credit Rating, if any	Security
1	PP I	INE101Q07AN4	November 10, 2024	November 10, 2025	24 Month	10%	4,900.00	CARE A- Stable	The amounts outstanding under the Debentures shall be secured on a first ranking *pari passu* charge basis by way of hypothecation in favour of the Debenture Trustee, over gold loan receivables and current assets excluding microfinance loans
2	PP II	INE101Q07AO2	January 12, 2024	December 31, 2025	719 Days	10%	5,000.00	CARE A- Stable	The amounts outstanding under the Debentures shall be secured on a first ranking *pari passu* charge basis by way of hypothecation in favour of the Debenture Trustee, over gold loan receivables and current assets excluding microfinance loans
3	PP III	INE101Q07AP9	February 28, 2024	February 27, 2026	24 Month	10%	5,000.00	CARE A- Stable	The amounts outstanding under the Debentures shall be secured on a first ranking *pari passu* charge basis by way of hypothecation in favour of the Debenture Trustee, over gold loan receivables and current assets excluding microfinance loans
4	PP IV	INE101Q07AQ7	April 25, 2024	April 25, 2027	36 Month	10%	7,500.00	CARE A- Stable	The amounts outstanding under the Debentures shall be secured on a first ranking *pari passu* charge basis by

Sr. No.	Series	ISIN	Date of allotment	Redemption Schedule / Maturity Date	Tenure	Coupon	Principal Amount outstanding as on December 31, 2024 (₹ in lakh)	Credit Rating, if any	Security
									way of hypothecation in favour of the Debenture Trustee, over gold loan receivables and current assets excluding microfinance loans
5	PP V	INE101Q07AS3	September 13, 2024	September 13, 2026	24 Month	9.75%	2,500.00	CARE A- Stable	The amounts outstanding under the Debentures shall be secured on a first ranking *pari passu* charge basis by way of hypothecation in favour of the Debenture Trustee, over gold loan receivables and current assets excluding microfinance loans
Total principal outstanding							**24,900.00**		
Less: Unamortised expenses							(462.72)		
Add: Accrued Interest							141.10		
Add: Unclaimed							33.97		
Amount outstanding as per Ind AS							**24,612.35**		

3. **Public issue of secured listed redeemable non-convertible debentures as on December 31, 2024**

Our Company has issued by way of public issue, secured, listed, redeemable, non-convertible debentures under various series of which ₹ 87,185.02 lakh is outstanding as on December 31, 2024, the details of which are set forth below:

Sr.No.	Series	ISIN	Date of Allotment	Redemption Schedule / Maturity Date	Tenure	Coupon	Principal Amount outstanding as on December 31, 2024 (₹ in lakh)	Credit Rating, if any	Security
1.	IX	INE101Q07599	February 18, 2020	February 17, 2025	60 Months	10.50%	2,727.43	CARE A-; Stable	first ranking pari passu charge with the Existing Secured Creditors on all current assets, including book debts and receivables, cash and bank balances, loans and advances both present and future of our
2.	IX	INE101Q07607	February 18, 2020	December 17, 2025	70 Months	10.07%	164.71	CARE A-; Stable	
3.	IX	INE101Q07615	February 18, 2020	March 17, 2027	85 Months	10.28%	4,193.27	CARE A-; Stable	
4.	X	INE101Q07706	July 2, 2020	July 1, 2025	60 Months	10.50%	3,684.44	CARE A-; Stable	
5.	X	INE101Q07714	July 2, 2020	July 31, 2027	85 Months	10.28%	3,156.06	CARE A-; Stable	

Sr.No.	Series	ISIN	Date of Allotment	Redemption Schedule / Maturity Date	Tenure	Coupon	Principal Amount outstanding as on December 31, 2024 (₹ in lakh)	Credit Rating, if any	Security
6.	XI	INE101Q07771	September 30, 2020	September 29, 2025	60 Months	10.50%	3,122.00	IND A-/Stable	Company (not including reserves created in accordance with law, receivables of micro finance of the Company, fixed deposits and cash collateral over which exclusive charge is created) equal to the value one time of the debentures outstanding plus interest accrued thereon.
7.	XI	INE101Q07789	September 30, 2020	October 29, 2027	85 Months	10.28%	1,608.53	IND A-/Stable	
8.	XII	INE101Q07839	November 24, 2020	January 23, 2025	50 Months	10.22%	865.15	IND A-/Stable	
9.	XII	INE101Q07847	November 24, 2020	November 21, 2025	60 Months	10.50%	3,624.01	IND A-/Stable	
10.	XII	INE101Q07854	November 24, 2020	December 23, 2027	85 Months	10.28%	1,758.70	IND A-/Stable	
11.	XIII	INE101Q07904	February 15, 2021	August 14, 2026	66 Months	10.71%	2,181.65	IND A-/Stable	
12.	XIV	INE101Q07953	May 3, 2021	July 2, 2024	50 Months	10.22%	1,281.41	IND A-/Stable	
13.	XV	INE101Q07995	September 16, 2021	March 15, 2025	42 Months	9.50%	4,404.22	CARE A-;Stable	
14.	XV	INE101Q07AA1	September 16, 2021	November 15, 2025	50 Months	10.22%	3,356.83	CARE A-;Stable	
15.	XVI	INE101Q07AE3	January 3, 2022	January 2, 2025	36 Months	9.50%	1,750.98	CARE A-;Stable	
16.	XVI	INE101Q07AF0	January 3, 2022	January 2, 2026	48 Months	9.75%	6,181.80	CARE A-;Stable	
17.	XVI	INE101Q07AG8	January 3, 2022	July 2, 2027	66 Months	10.13%	2,618.73	CARE A-;Stable	
18.	XVII	INE101Q07AK0	May 23, 2022	May 22, 2025	36 Months	9.25%	2,868.90	CARE A-;Stable	
19.	XVII	INE101Q07AL8	May 23, 2022	May 22, 2026	48 Months	9.50%	9,070.27	CARE A-;Stable	
20.	XVII	INE101Q07AM6	May 23, 2022	November 22, 2027	66 Months	10.00%	4,355.33	CARE A-;Stable	
21.	XVIII	INE101Q07AX3	November 19, 2024	February 12, 2026	450 Days	8.50%	996.67	CARE A-;Stable	
22.	XVIII	INE101Q07AU9	November 19, 2024	January 18, 2027	26 Months	9.00%	528.37	CARE A-;Stable	
23.	XVIII	INE101Q07AR5	November 19, 2024	January 18, 2027	26 Months	9.40%	1,219.99	CARE A-;Stable	
24.	XVIII	INE101Q07AY1	November 19, 2024	November 18, 2027	36 Months	9.50%	3,315.84	CARE A-;Stable	
25.	XVIII	INE101Q07AW5	November 19, 2024	November 18, 2027	36 Months	9.75%	975.15	CARE A-;Stable	
26.	XVIII	INE101Q07AT1	November 19, 2024	November 18, 2028	48 Months	10.00%	3,291.89	CARE A-;Stable	
27.	XVIII	INE101Q07AV7	November 19, 2024	May 18,2030	66 Months	10.50%	1,131.95	CARE A-;Stable	
Total principal outstanding							**74,434.28**		
Less: Unamortised expenses							(542.01)		
Add: Accrued Interest							13,213.56		
Add: Unclaimed							79.19		
Amount outstanding as per Ind AS							**87,185.02**		

B. Details of unsecured borrowings:

Our Company's unsecured outstanding borrowings as on December 31, 2024 of ₹ 67,982.27 lakhs. The details of the unsecured borrowings are set out below.

- ***Commercial Papers***

Our company has issued commercial papers under various series out of which ₹ 17,455.60 lakhs are outstanding as on December 31, 2024, the details of which are set forth below:

Series of Commercial papers	**ISIN**	**Tenor / Period of Maturity**	**Coupon**	**Amount outstanding as on December 31, 2024 (INR in Lakhs)**	**Date of allotment**	**Redemption Date / Schedule**	**Credit Rating**	**Secured / Unsecured**	**Security**	**Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies**
Commercial paper Tranche 2	INE101Q14025	182 days	10%	3,998.96	July 05, 2024	January 03, 2025	CARE A1	Unsecured	NA	IPA- HDFC Bank CRA- CARE Ratings Limited
Commercial paper Tranche 6	INE101Q14066	154 days	10%	4,905.36	October 11, 2024	March 14, 2025	CARE A1	Unsecured	NA	IPA- HDFC Bank CRA- CARE Ratings Limited
Commercial paper Tranche 7	INE101Q14082	74 Days	10%	2,453.68	December 27, 2024	March 11, 2025	CARE A1	Unsecured	NA	IPA- HDFC Bank CRA- CARE Ratings Limited
Commercial paper Tranche 8	INE101Q14074	88 Days	10%	1,465.49	December 30, 2024	March 28, 2025	CARE A1	Unsecured	NA	IPA- HDFC Bank CRA- CARE Ratings Limited
Commercial paper Tranche 5	INE101Q14058	365 days	10%	4,632.11	September 30, 2024	September 30,2025	CARE A1	Unsecured	NA	IPA- HDFC Bank CRA- CARE Ratings Limited
Amount outstanding as per Ind AD				**17,455.60**						

- ***Inter-Corporate Deposits and Loans***

As on December 31, 2024 our Company has not borrowed by way of inter-corporate deposits and loans.

- ***Loan from Directors and Relatives of Directors:***

The Company has not taken any loan from Directors or relative of Directors

- ***Subordinated Debts***

Our company has ₹ 34,242.62 lakh outstanding subordinated debts as on December 31, 2024, the details of which are set forth below:

Sr. No.	Subordinated Debts Name/ Series	Principal Amount outstanding as on December 31, 2024 (in lakh)	Date of Subordinated debt (Range)	Final Maturity (Range)	Coupon Rate (Range) in %(p.a.)	Tenure (in Months)	Credit Rating, if any
1	Subdebt Series 2	2,772.88	April-May 2020	May-August 2025	10.5	61	Unrated
			April-May 2020	July-27	14.29	84	Unrated
2	Subdebt Series 3	78.25	February-March 2021	April-26	10.25	61	Unrated
			February-March 2021	March-28	14.29	84	Unrated
3	Subdebt Series 4	393.50	June-July 2021	July-August 2026	12.26	61	Unrated
			June-July 2021	July-August 2026	9.5	61	Unrated
4	Subdebt Series 5	407.77	September-October 2021	September-October 2028	14.29	84	Unrated
			September-October 2021	March-April 2027	10	66	Unrated
5	Subdebt Series 6	4,329.19	December 2021-April 2022	November-2028 - March-2029	14.46	83	Unrated
			December 2021-April 2022	June-October 2027	10.5	66	Unrated
6	Subdebt Series 7	14,701.13	May-2022-March 2023	November 2027-August 2028	10.5	66	Unrated
			May-2022-March 2023	April 2029-February 2030	14.46	83	Unrated
7	Subdebt Series 8	2,955.05	April 2023-September 2023	October 2028-March 2029	10.71	66	Unrated
			April 2023-September 2023	October 2028-March 2029	10.5	66	Unrated
8	Subdebt Series 9	1,311.45	September-November 2023	March -May-2029	10.71	66	Unrated
			September-November 2023	March -May-2029	10.5	66	Unrated
9	Subdebt Series 10	1,528.57	November 2023-March 2024	January 2029-December 2029	10.71	66	Unrated
			November 2023-March 2024	January 2029-December 2029	10.5	66	Unrated
10	Subdebt Series 11	798.38	April 2024-June 2024	January 2029-October 2029	10.71	66	Unrated
			April 2024-June 2024	January 2029-October 2029	10.5	66	Unrated
11	Subdebt Series 12	1420.56	August 2024-September 2024	February 2030-December 2029	10.71	66	Unrated
			August 2024-September 2024	February 2030-December 2029	10.5	66	Unrated
			October 2024	April 2030	10.5	66	Unrated
			October 2024	April 2030	10.71	66	Unrated
12	Subdebt Series 13	344.33	October 2024 – December 2024	April 2023 -June 2023	10.5	66	Unrated

Sr. No.	Subordinated Debts Name/ Series	Principal Amount outstanding as on December 31, 2024 (in lakh)	Date of Subordinated debt (Range)	Final Maturity (Range)	Coupon Rate (Range) in %(p.a.)	Tenure (in Months)	Credit Rating, if any
			October 2024 – December 2024	April 2023 -June 2023	10.71	66	Unrated
Total principal outstanding		**31,041.06**					
Add: Interest accrued		3,054.55					
Add: Unclaimed		147.01					
Amount outstanding as per Ind AS		**34,242.62**					

- ***Details of Unsecured Term Loans***

  As on December 31, 2024 our Company has not availed any unsecured term loan.

- ***Private Placement of unsecured unlisted redeemable non-convertible debentures as on December 31, 2024***

  As on December 31, 2024 our Company has not issued unsecured, unlisted, redeemable, non-convertible debenture by way of private placement.

- ***Unsecured Redeemable non-convertible debentures (public issue):***

  Our Company has issued by way of public issue, unsecured, listed, redeemable, non-convertible debentures under various series of which ₹ 16,284.05 lakh is outstanding as on December 31, 2024, the details of which are set forth below:

Sr.No.	ISIN	Date of allotment	Maturity Date	Tenure	Coupon	No of NCDs	Principal Amount outstanding as on December 31, 2024 (₹ in lakh)	Credit Rating
1	INE101Q08118	February 15,2021	March 13,2026	61 Months	10.25%	2,77,094	2,770.94	IND A-/Stable
2	INE101Q08126	February 15,2021	February 14,2028	85 Months	10.41%	2,13,639	2,136.39	IND A-/Stable
3	INE101Q08134	May 03,2021	June 02,2026	61 Months	10.25%	2,40,520	2,405.20	IND A-/Stable
4	INE101Q08142	May 03,2021	June 02,2028	84 Months	10.41%	1,34,882	1,348.82	IND A-/Stable
5	INE101Q08159	September 16,2021	March 15,2027	66 Months Monthly	10.00%	2,59,239	2,592.39	CARE A-;Stable
6	INE101Q08167	September 16,2021	September 15,2028	84 Months Cumulative	10.41%	2,40,761	2,407.61	CARE A-;Stable
Total principal outstanding						**13,66,135**	**13,661.35**	
Add: Interest accrued							2,603.35	
Add: Unclaimed							19.35	
Amount outstanding as per Ind AS							**16,284.05**	

Penalty Clause

Nil

Rescheduling

None of the loan documents provides for rescheduling provisions

Event of Default

Nil

Servicing behaviour on existing debt securities, payment of due interest on due dates on financing facilities or debt securities

Our Company confirms that there has not been default upon or delay in payment of any interest and/or principal for existing term loans, debt securities and other financial indebtedness in preceding three years and the current financial year.

The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.

Our Company has no amount of corporate guarantee or letter of comfort, contingent liability including debt service reserve account guarantees/ any put option etc.

Details of any outstanding borrowings taken/ debt securities issued where taken/ issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on December 31, 2024.

Our Company has nil outstanding borrowings taken / debt securities issued where taken/issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on December 31, 2024.

Details of bank fund-based facilities /rest of borrowings (if any, including hybrid debt like foreign currency convertible bonds (FCCB), optionally convertible debentures/ preference shares) from financial institutions or financial creditors as on December 31, 2024

Our Company does not have any bank fund-based facilities / rest of borrowings including hybrid debt instruments such as foreign currency convertible bonds or optionally convertible debentures and preference shares from financial institutions or financial creditors as on December 31, 2024.

Restrictive covenants under the financing arrangements:

Many of the financing agreements include various restrictive conditions and covenants restricting certain corporate actions, and our Company is required to take the prior approval of the lender before carrying out such activities. For instance, our Company, inter alia, is required to obtain the prior written consent in the following instances:

i. to declare and/or pay dividend to any of its Shareholders whether equity or preference, during any financial year unless our Company has paid to the lender the dues payable by our Company in that year;

ii. to undertake or permit any merger, amalgamation or compromise with its Shareholders, creditors or effect any scheme of amalgamation or reconstruction or disposal of whole of the undertaking;

iii. to create or permit any charges or lien, sell or dispose of any encumbered assets;

iv. to alter its capital structure, or otherwise acquire any share capital;

v. to effect a change of ownership or control, or management of our Company;

vi. to enter into long term contractual obligations directly affecting the financial position of our Company;

vii. to borrow or obtain credit facilities from any bank or financial institution;

viii. to undertake any guarantee obligations on behalf of any other company;

ix. sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the banks.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS

Except as stated in this section, there are no outstanding: (i) criminal proceedings; (ii) actions by statutory/regulatory authorities; (iii) claims for any indirect and direct tax liability; and (iv) other litigations which are identified as material in terms of the Materiality Policy (as defined hereinafter below), each involving our Company, Directors or Promoters.

*Our Board, in its meeting held on February 27, 2025, has adopted a policy on the identification of material litigations ("**Materiality Policy**"). As per the Materiality Policy, other than for the purposes of (i) to (iii) above, all outstanding litigation, wherein*

(a) the quantified monetary amount of the claim by or against the Company in any such pending proceeding exceeds 2% of the turnover, as per the last audited standalone financial statements of the listed entity or 5% of the average of absolute value of profit or loss after tax, as per the last three audited standalone financial statements of the listed entity; whichever is lower, i.e., ₹ 319.01 lakh;

(b) the outcome of such litigation proceeding may have a material adverse effect on the business, operations, prospects or reputation of the Company which may affect the issue or the investor's decision to invest/continue to invest in the debt securities, has been considered as 'material litigation', and accordingly has been disclosed in this Draft Prospectus.

Further, except as mentioned in this section, there are no proceedings involving our Group Companies, which may have a material adverse effect on the position of our Company.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Directors, Promoters or Group Companies shall, unless otherwise decided by our Board of Directors, not be considered as litigation until such time that our Company or Directors or Promoters or Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Further, except as stated in this section, there are no: (i) litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of the issue of this Draft Prospectus and any direction issued by such Ministry or Department or statutory authority; (ii) pending litigation involving our Company, our Promoter, our Directors, Group Companies, or any other person, whose outcome could have material adverse effect on the position of our Company; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues, etc; (v) inquiries, inspections or investigations initiated or conducted against our Company under the Companies Act or any previous companies law in the three years immediately preceding the year of this Draft Prospectus; (vi) prosecutions filed (whether pending or completed), fines imposed or compounding of offences done in the three years immediately preceding the year of this Draft Prospectus; and (vii) material frauds committed against our Company in the last three years and current financial year; and (viii) disciplinary action taken by SEBI or stock exchange against the Promoter.

Further from time to time, we have been and shall continue to be involved in legal proceedings filed by and/or against us, arising in the ordinary course of our business. We believe that the number of proceedings in which we are/were involved is not unusual for a company of our size doing business in India.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

(a) Litigations involving our Company

(i) Material Civil cases involving our Company

Against our Company

1. M. Mathew ("**Plaintiff**") had filed a suit (bearing number OS No. 6 of 2013) dated June 16, 2013 ("**Suit**") before the District Court, Kottayam ("**Court**") under section 134 of the Trade Mark Act, 1999- ("**Trade Mark Act**") read with Order VII Rule I read with Section 26 of the Code Of Civil Procedure, 1908 against our Company and other (together referred to as the "**Defendants**"). The Plaintiff claims that the trademark "Muthoot" is the exclusive property of the Plaintiff and no one else can claim the right to use the name in their business. The Plaintiff has prayed that a judgment and decree of permanent prohibitory injunction to be issued restraining the

Defendants from directly or indirectly using the trade mark "Muthoot" allegedly registered in the name of the Muthoot and thereby infringing it, interfere with or cause harm to the trade of business of Plaintiff in any manner whatsoever, to grant a permanent prohibitory injunction restraining the Defendants from using in any manner the allegedly registered trade mark of the Plaintiff "Muthoot", in connection with their business and to grant such other relief as the Court may think fit. The Plaintiff has also filed an application (bearing number 1277 of 2013) dated June 16, 2013 for interim injunction restraining the Defendants from using the trademark 'Muthoot'. A counter affidavit was filed by Roy M. Mathew, as the Chairman of our Company, on August 23, 2013 denying all the claims of the Plaintiff and alleging that this was the Plaintiff's attempt to stall the functioning of the companies. An Affidavit was filed by the Plaintiff on December 3, 2015 impleading additional parties to the matter. Thereafter, Mathew Muthootu, our Managing Director, filed a written statement on May 28, 2019 categorically raising objections in relation to the Suit, inter alia, claiming that the proceedings challenging the validity of the trademark are pending before the relevant authority and therefore the Suit should be stayed and further substantiating the arguments advanced by the Defendants. As per section 124 of the Trade Marks Act, the matter has been stayed by the court. The matter is currently pending.

2. Our Company received a notice bearing number ROC(K)/STAT/F92/196/2012 dated May 2, 2012 ("**Notice**") from the Registrar of Companies, Kerala and Lakshadweep ("**ROC**"). The ROC had received a letter dated January 31, 2012 from M Mathew ("**Complainant**"), requesting not to register any company with the name "Muthoot" as the same is registered in the Complainants name on September 19, 2005 by the trademark registry, Mumbai. Hence ROC issued the Notice requesting us to offer our comments within 15 days of receipt of the Notice. Our Company replied to the Notice *vide* letter dated May 31, 2012 stating that we have secured registration for our logo and the "Mini Muthoottu" in class 36 *vide* registration dated April 30, 2009 and have absolute right to carry on the business by using "Muthoottu" as part of our trademark.

3. M. Murgan and others ("**Plaintiffs**") filed a suit (O.S. 183/2018) ("**Suit**") against R. Parvathy, our Company and others ("**Defendants**") before the Principal District Judge, Chengalpattu ("**Court**") alleging that various sale deeds ("**Sale Deeds**") for the property situated at Kancheepuram district, Thirupporur Taluk, Kelambakkam Firka, Eagattur Village ("**Property**") were entered into without the knowledge of the Plaintiffs, the alleged owners of the Property. The Plaintiffs have sought for the annulment of such Sale Deed and for the partition of the Property. Service of notice for all the defendants not yet completed. The matter has been posted for written statement of defendants and notice to additional respondents.

4. Lcode technologies Private Limited ("**Lcode**") filed a claim against our Company before the sole arbitrator tribunal presided by Rt. Justice Bhavadasan, for a sum of ₹110.50 lakh on account of the contractual amount due under the software license agreement entered with for the implementation of their "Reach NBFC Prosper" software in our server, for ease of our business operations, which was failed in multiple attempts for its launch. We filed a counter claim against Lcode for ₹ 258.26 lakh return of the advance amount paid on account of the agreement and for loss and damages due to the said project and its failure. After taking evidence adduced from both sides and hearing both sides, the arbitral tribunal has taken the case for award. On July 05, 2024, the sole arbitrator dismissed both the claim and the counterclaim. Against the award of the Sole Arbitrator, the Company and Lcode have filed separate petitions to set aside the award under section 34 of Arbitration & Conciliation Act, before the District Court, Ernakulam. The petitions are yet to be numbered.

By our Company

5. Writ Petition (WPC.18628 of 2021) filed by the company under Article 226 of Constitution of India challenging Notification/ Circular bearing No. DOR No.CRE.REC.35/21.04.048/2021-22 dated 04.08.2021 issued by the Reserve Bank of India. The above mentioned circular inter alia prohibits the banks from opening current accounts for customers who have availed credit facilities in the form of Cash Credit(CC)/ Over Draft (OD) from banking systems and directs all transactions to be routed through CC/OD Accounts. Aggrieved by the said circular, the Company has filed this Writ Petition inter alia to challenge its constitutionality, to quash the same and to request the hon'ble High Court to pass a direction permitting the Respondent Banks in the Writ Petition to not interfere with the operations of current accounts maintained in their branches. Through this Writ Petition, Company had also sought an interim relief from the High Court for a direction to Respondent Banks to permit the company to operate its current accounts in their respective branches and further to stay operation of the circular dated 04.08.2021 issued by RBI. High Court vide its order dated 13.09.2021 has granted interim relief to the Company by giving an interim direction to the Respondent Banks to permit the company to operate its current account in respective branches till 31.10.2021. Subsequently on 03.01.2022, Hon'ble High Court of Kerala was pleased to extend the interim order is extended until further orders. The matter is currently pending.

***(ii)* Criminal cases involving our Company**

Against our Company

Nil

By our Company

1. Our Company has filed a petition (bearing no. CC. No. 1096 of 2016) ("**Petition**") under Section 138 of the Negotiable Instruments Act, 1881 before the Judicial Magistrate First Class, Kochi ("**Court**") against V. Senthil Vel Murughan ("**Accused**"), the landlord of our branch located at Nagarcoil Tower Junction, for an amount of ₹3.87 lakh being the interest free security deposit amount for which a cheque was issued and was dishonoured due to insufficiency of funds in the account of the Accused. This matter was transferred to a Negotiable Instruments Court, Ernakulam and is currently pending before the Court.

2. Our company has filed a petition bearing no. MP 1068/2018 before the Special court for Negotiable Instrument Act case against Mr. Jayan, who was the purchaser of strong room lockers from the company on shifting of branches. He issued cheque for ₹ 75,000/- towards consideration of the same and the cheque was dishonoured due to insufficiency of funds. The case was renumbered as ST 1280/2023 and transferred to JFCM III, Ernakulam, and fresh summons is issued to the accused.

3. Our Company has filed about 6 criminal complaints against customers and ex-employees of our Company before various judicial forums under section 138 of the Negotiable Instruments Act, 1881 for certain cheques that bounced on presentation and others which were remained unpaid. The aggregate amount involved in these matters is ₹ 175.86 lakh. These matters are currently pending.

***(iii)* Statutory and Regulatory Proceedings involving our Company**

Our Company received a letter dated April 29, 2021 from the RoC ("**Letter**"), in relation to an inspection proposed to be conducted under Section 206(5) of the Companies Act ("**Inspection**"). In this regard the Central Government has appointed the RoC, along with Deputy Official Liquidator, Kerala and the Regional Director, Ministry of Corporate Affairs (SR), Chennai as inspector to carry out the proposed Inspection ("**Inspector**"). The Inspector vide Letter has sought certain information and documents, inter alia Audited Financial Statements for last five years, Memorandum of Association, Articles of Association, and shareholding pattern from our Company. Our Company, vide its letter dated May 14, 2021, has submitted that owing to State-wide lockdown effective from May 8, 2021 to May 16, 2021 and the travel restrictions imposed by the Kerala Government to contain COVID 19, the Company was unable to physically submit the information and documents required. Further, our Company vide its letter dated June 11, 2021 has submitted all the documents and certain information mentioned in the Letter. The Company further received letter dated September 23, 2021 from RoC, proposing visit of the inspecting officer who visited the Company on October 6, 2021. The inspecting officer perused records and also took extracts of minutes and other ROC filed documents. The matter is currently pending. The inspecting officer perused records and also took extracts of minutes and other ROC filed documents. The Inspector in his report dated September 30, 2022 sought para-wise replies to the alleged violation of certain provisions of Companies Act, 2013, *inter alia* including sections 73, 135(5), 71(4), 134(6) etc. The Company has submitted its responses to the alleged non-compliances.

(iv) Tax Proceedings involving our Company

Nature of case	Number of cases outstanding	Amount involved (in ₹ lakh)
Direct Tax	10	2,340.77 *(Expenditure disallowed by the assessing officer and disputed by the Company on appeal. The appeals have been allowed in favour of the company for the assessment years 2013-14 to AY 2016-17 and yet to receive the assessment order from the Assessing Officer. Cit(A) has not passed Order for AY 2017-18 till date)*
Indirect Tax	Nil	Nil

Nature of case	Number of cases outstanding	Amount involved (in ₹ lakh)
Total	10	2,340.77

(v) **Economic Offences**

Nil

(b) Litigations* involving *our Directors

(i) **Material Civil Cases involving our Directors**

Against our Directors

Nil

By our Directors

Nil

(ii) **Criminal cases involving our Directors**

Against our Directors

Nil

By our Directors

Nil

(iii) ***Statutory and Regulatory Proceedings involving our Directors***

Nil

(iv) **Tax Proceedings involving our Directors**

Nil

(c) Litigations* involving *our Promoters

(i) **Material Civil Cases involving our Promoters**

Against our Promoters

Nil

By our Promoters

Nil

(ii) **Criminal cases involving our Promoters**

Against our Promoters

Nil

By our Promoters

Nil

(iii) Statutory and Regulatory Proceedings involving our Promoters

Nil

(iv) **Tax Proceedings involving our Promoters**

Nature of case	Number of cases outstanding	Amount involved (in ₹ lakh)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

(d) Litigation involving our Subsidiaries

As on date of this Draft Prospectus, our Company does not have any subsidiary.

(e) Litigations involving our Group Companies

As on date of this Draft Prospectus, following are the litigations involving our Group Companies:

(i) Material Civil Litigation involving our Group Companies

By group company

Nil

Against group company

Nil

(ii) Criminal Cases involving our Group Companies

By group company

Mini Muthoottu Nidhi Kerala Limited

Mini Muthoottu Nidhi Kerala Limited filed suit (RCP 01/2023) before the Rent Control Court, Thamarassery, ("Court") for eviction of tenants that have defaulted in payment of rent from a building owned by Mini Muthoottu Nidhi Kerala Limited. The matter is currently pending.

Against group company

Mini Muthoottu Nidhi Kerala Limited

Santhamma B & Anr has filed a suit (O.S. 178/2019) against Mini Muthoottu Nidhi Kerala Limited before the Munsiff Court, Shasthamkotta claiming deposit amount of their late husband's Fixed Deposit. The amount in dispute is ₹ 4,69,000/. The amount was not returned as the plaintiffs could not produce the original documents evidencing the fixed deposit. The matter has been decreed by the court on 30.10.2024 in favour of the plaintiff.

(iii) Statutory and Regulatory Proceedings involving our Group Companies

Nil

(iv) **Tax Proceedings involving our Group Companies**

Nature of case	Number of cases outstanding	Amount involved (in ₹ lakh)
Direct Tax	Nil	Nil
Indirect Tax	1	5.50
Total	1	5.50

(f) Litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoters during the last three years immediately preceding the year of the issue of this Draft Prospectus and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action

Nil

(g) Inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last three years immediately preceding the year of issue of this Draft Prospectus against our Company (whether pending or not); fines imposed or compounding of offences done by our Company in the last three years immediately preceding the year of this Draft Prospectus

Except as disclosed below, there are no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last three years immediately preceding the year of issue of this Draft Prospectus against our Company (whether pending or not); fines imposed or compounding of offences done by our Company in the last three years immediately preceding the year of this Draft Prospectus:

Sr. No.	Compliance Requirement (Regu- lations/ circulars/ guide- lines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Re-marks
FY 2021-2022										
NIL										
FY 2022-2023										
1.	Regulation 50(2) of SEBI Listing Regulations	Regulation 50(2) of SEBI Listing Regulations	Delayed Compliance	BSE	Fine	Delay in furnishing intimation about meeting of shareholders	₹ 5,900	The Company has paid the fine & intimated the same to BSE.	The Company has paid the fine & intimated the same to BSE.	NA
2.	Regulation 53(2) of SEBI Listing Regulations	Regulation 53(2) of SEBI Listing Regulations	Delayed Compliance	BSE	Fine	Delay in submission of annual report within the period prescribed.	₹ 16,520	The Company has paid the fine & intimated the same to BSE.	The Company has paid the fine & intimated the same to BSE.	NA
3.	Regulation 57(4) of SEBI Listing Regulations	Regulation 57(4) of SEBI Listing Regulations	Delayed Compliance	BSE	Fine	Delay in submission of details of interest payable obligations	₹ 1,180	The Company has paid the fine & intimated the	The Company has paid the fine & intimated	NA

Sr. No.	Compliance Requirement (Regu- lations/ circulars/ guide- lines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Re-marks
						during the quarter.		same to BSE.	the same to BSE.	
FY 2023-2024										
NIL										
FY 2024-2025 (till date of this Draft Prospectus)										
Nil										

(h) Details of acts of material frauds committed against our Company in the last three Fiscals, if any, and current financial year, if so, the action taken by our Company

Except as disclosed below, there are no material frauds committed against our Company in the last three Fiscals and current financial year:

Sr. No.	Financial Year/ Period	Branch	Date Of Detection / Date of Reporting To RBI	Gross Amount (₹ Lakh)	Modus Operandi & Action Taken	Recovery (₹ Lakh)	Amount Written Off (₹ Lakh)	Provision (₹ Lakh)	Action taken by the Company
1	2021-22	BOSE BOMMA CENTRE	22-10-2021/ 08-11-2021	2.89	Branch Head absconded with cash of Rs 1.50 Lakhs and GL packets with total advance of Rs98000/-. Further he has taken an amount of Rs 40507/- by enhancing 3 GL accounts without customer knowledge.	2.81	0.08	0	FIR No 264/2021 u/s 420, 408, 468 IPC dated 03.11.2021 at 4th Town Police Station(Dargamitta)Investigation under process. Involved staffs are terminated.
2	2021-22	MUTHANALLUR	14-12-2021/ 07-01-2022	3.81	Thickly gold coated spurious ornaments were pledged.	2.32	1.49	0	Complaint lodged at Sarjapura Police Station. Investigation under process
3	2021-22	PANACHAMOODU	17-12-2021/ 04-01-2022	8.64	Members of a gang pledged manufactured thickly coated spurious ornaments in different dates.	8.64	0	0	Police complaint filed and police registered the crime as Cr.No.08/2022
4	2021-22	M G ROAD THRISSUR	27-01-2022/ 14-02-2022	1.81	Thickly gold coated spurious ornaments were pledged.	1.73	0.08	0	FIR registered under No 0239 Dated 07-02-2022. Investigation under process.

Sr. No.	Financial Year/ Period	Branch	Date Of Detection / Date of Reporting To RBI	Gross Amount (₹ Lakh)	Modus Operandi & Action Taken	Recovery (₹ Lakh)	Amount Written Off (₹ Lakh)	Provision (₹ Lakh)	Action taken by the Company
5	2022-23	KAVERIPATTINAM	23-06-2022/ 08-07-2022	16.71	Staff pledged spurious ornaments in the name of customers.	16.71	0	0	16.02 Lakhs recovered from the staff. All culprit staff are terminated on 06-01-2023. 0.69 Lakhs recovered on 08-06-23
6	2022-23	SRI KALAHASTI	04-07-2022/ 22-07-2022	29.43	Accused, Sravanthi and Mallikarjuna, stole ornaments from their institution, Fincare Small Finance Bank, and pledged the same in our branch under fictitious customer name in collusion with the BH. Later ornaments were seized by the police on 04/07/2022.	28.68	0.75	0	All culprits are under police custody on the complaint lodged by Fincare and FIR registered in 70/2022. Further our company lodged a complaint against branch manager on 14/07/2022. 28.67 lakhs recovered through insurance and 0.01 lakhs recovered from parties
7	2022-23	KARUR	06-09-2022/ 19-09-2022	2.28	Thickly gold coated spurious ornaments intentionally pledged by the customer.	2.28	0	0	Investigation going on. Complaint registered under CSR No 749/2022. 50000 recovered from the customer on 19-09-2022. 1.78 Lakh received from insurance on 05-06-2023.
8	2022-23	RAMANATHAPURAM	03-10-2022/ 22-10-2022	1.85	Thickly coated other metal filled inside spurious ornaments were pledged	1.82	0.03	0	Investigation under process. 0.31 lakhs recovered from customer on 08-06-2023 From insurance - 1.24 Lakhs From staff - 0.27 Lakhs
9	2022-23	LALBAGH	06-10-2022/ 25-10-2022	1.5	Thickly gold coated spurious ornaments were pledged which are not easily detectable	1.5	0	0	Full amount recovered from the party on 12-12-2022.
10	2022-23	VASCO	05-12-2022/	1.4	Thickly gold coated spurious ornaments were pledged which are not easily detectable	1.4	0	0	Investigation going on. Complaint registered at Vasco police station

Sr. No.	Financial Year/ Period	Branch	Date Of Detection / Date of Reporting To RBI	Gross Amount (₹ Lakh)	Modus Operandi & Action Taken	Recovery (₹ Lakh)	Amount Written Off (₹ Lakh)	Provision (₹ Lakh)	Action taken by the Company
			22-12-2022						Recovery through insurance 1.10 and staff 0.30
11	2022-23	KORATEGERE	20-01-2023/ 09-02-2023	1.37	Thickly gold coated spurious ornaments were pledged which are not easily detectable	1.37	0	0	Full amount recovered from the party on 11-02-2023
12	2022-23	ARUMUGANERI	27-02-2023/ 17-03-2023	1.55	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	1.4	0.15	0	The case was forwarded from SP office of Thoothukudi to local police station Arumuganeri and the investigation is going on. Recovery through insurance - 1.25 Lakhs From Staff - 0.15 Lakhs
13	2022-23	THIRUVALLUR	09-03-2023/ 27-03-2023	2.52	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	2.52	0	0	Full amount recovered on 01-04-2023; FMR - 3 Updated on 05-04-2023
14	2023-24	UKKADAM	27-05-2023/ 15-06-2023	2.3	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	2.3	0	0	Under investigation. Recovery throgh insurance 1.89 and Staff 0.41.
15	2023-24	V KOTA	02-06-2023/ 20-06-2023	1.4	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	0.48	0.92	0	Under investigation FMR-3 updated on 13-09-2024; Insurance 0.28, Recovery from staff 0.20
16	2023-24	NAZARETH	30-06-2023/ 12-07-2023	1.95	Thickly gold coated spurious ornaments were pledged intentionally by the customer. Insurance amount Rs 1.13 and recovery from the staff 0.12. FMR - 3 updated on 16-10-2023.	1.25	0.7	0	Under investigation
17	2023-24	CHECKKANOORANI	06-07-2023/ 18-	30.94	Suspended branch manager Thanapandi C colluded with Raja and Anitha, took away the following 10 gold packets which were pledged in the branch by	30.94	0	0	Under investigation FMR - 3 updated on 08-09-2023; 3 staff terminated FMR - 3 updated on

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			07-2023		customers for a total sum of Rs.30.94 Lakhs.				30-03-2024; Insurance claim received Rs 30.94 Lakhs.
18	2023-24	YOGI CHOWK	05-07-2023/ 28-07-2023	35.04	It was found that Branch staff colluded with RM and misappropriated the Gold loan packet (3892) amounting Rs 33.3 Lakhs.In order to hide the fraudulent activity they had closed another packet. On detailed verification, there was a cash misappropriation of Rs. 1.74 lakhs in relation to the closure of 3 packets (3675,3881,3905)	34.41	0.63	0	Under investigation. FMR - 3 updated on 07-09-2023; 4 staff terminated on 25-08-2023. FMR - 3 updated on 30-03-2024. Insurance- 33.98 Lakhs, Staff - 0.43 Lakhs, Written Off - 0.63 Lakhs
19	2023-24	DILSHAD COLONY	05-09-2023/ 18-09-2023	1.15	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	0.9	0.25	0	Under investigation FMR - 3 updated on 08.12.2023 - Insurance 0.55 Lakhs, Recovery from the staff - 0.35 Lakhs
20	2023-24	SAMATHANAPURAM	30-09-2023/ 16-10-2023	2.99	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method.	2.69	0.3	0	Under investigation FMR- 3 updated on 21-05-2024; insurance - 2.24 and staff - 0.45
21	2023-24	CUDDALOREOT	10-10-2023/ 30-10-2023	10.88	Staff colluded with customer and pledged spurious ornaments in customer account. Also done cash misappropriation through excess weight and enhancing the loan amount without the customer knowledge.	10.88	0	0	Under investigation Recovery 0.60 Lakhs on 10-11-2023 BM suspended on 03-11-2023. (FMR - 3 updated on 15-11-2023) FMR - 3 updated on 23-11-23; 1 account closed (0.03 Lakhs) FMR - 3 updated on 18-12-23; 1 account closed (0.12 Lakhs) FMR - 3 Updated on 17-01-24; Recovery in 1 account (4.23 Lakhs) FMR - 3 Updated on 04-03-2024; 2 staff terminated on 16-02-2024. FMR-3 Updated on 17-04-2024. 2 account

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									settled on 09.04.24 and 10.04.24
22	2023-24	BOMMANAHALLI	20-10-2023/ 08-11-2023	1.14	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method.	1.14	0	0	Under investigation FMR - 3 updated on 21-06-2024; Insurance - 77399/- Staff - 36601/-
23	2023-24	K PUDUR	21-10-2023/ 10-11-2023	15.61	Group of customer intentionally pledged spurious ornaments	15.02	0.59	0	Under investigation FMR - 3 updated on 14-12-2023 staff suspension FMR - 3 Updated on 30-03-2024; Insurance - 14.81 Lakhs, Staff - 0.21 Lakhs, Written Off - 0.59 Lakhs
24	2023-24	SATTENAPALLI	01-11-2023/ 21-11-2023	3.98	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method.	3.98	0	0.00	Under investigation All accounts closed by the customer on 05.01.2024 and FMR - 3 reported on 11-01-2024
25	2023-24	TUGHLAKABAD	23-12-2023/ 10-01-2024	6.33	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method. The incident period between 08-10-2023 to 17-11-2023. Total amount involved 6.33 Lakhs.	6.33	0	0.00	Under investigation FMR - 3 Updated on 21-06-2024; Insurance amount 5.25, 1.08 from staff recovery
26	2023-24	VIDYARANYAPURA	05-03-2024/ 21-03-2024	7.15	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method. The incident period between 31-01-2024 to 27-02-2024. Total amount involved 7.15 Lakhs.	6.92	0.23	0.00	Under investigation FMR -3 Updated on 13-09-2024; Insurance - 6.28 Lakhs, Staff - 0.64
27	2023-24	ANANTHAPURAM RC NAGAR	13-03-2024/ 28-03-2024	1.29	Thickly gold coated ornaments with other metals inside and difficult to appraise through normal appraisal methods was pledged by the customer	1.29	0	0.00	Under investigation Loan closed on 10-04-2024 FMR - 3 updated on 17-04-2024
28	2024-25	AZHAGIAMANDAPAM	30-04-2024/ 17-05-2024	25.38	The customer intentionally pledged spurious ornaments in the branch. The ornaments were manufactured in such a manner that it was not possible to detect its exact nature using an acid test or other sound	24.35	1.03	0.00	Under investigation FMR - 3updated on 24-02-2025; Insurance - 23.92 Staff - 0.43

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					tests as a thick layer of gold was coated around other metals. The fraud was revealed as the auditor doubted the unusual thickness of the gold and upon cutting the ornaments to verify the same.				
29	2024-25	SIOLIM	09-05-2024/ 24-05-2024	4.05	Thickly gold coated ornaments with other metals inside and difficult to appraise through normal appraisal methods was pledged by the customer	4.05	0	0.00	Under investigation FMR - 3 updated on 05.08.2024. Both accounts closed on 17-07-2024
30	2024-25	VILLUKURI	10-05-2024/ 29-05-2024	45.07	Members of a gang pledged manufactured thickly gold coated spurious ornaments in the branch - 8 accounts-45.07 lakhs	40.97	4.1	0.00	Under investigation FMR - 3 updated on 22-02-2025; Insurance - 40.70, Staff - 0.27
31	2024-25	RAMANPUTHUR	10-05-2024/ 29-05-2024	7.35	members of a gang pledged ornaments which were manufactured with techniques including other materials and deeply coated gold and defrauded the company	6.65	0.7	0.00	Under investigation FMR - 3 updated on 25-02-2025; Insurance - 5.65; Staff - 1
32	2024-25	KUSHALNAGAR	24-05-2024/ 08-06-2024	2.77	Customer pledged 2 loans vide gl no. 23415 and 23416 on 16.02.2024 for an amount of Rs.2.77 lakhs, but on audit dt 24.05.2024 it was found to be spurious.	2.77	0	0.00	Under investigation FMR - 3 updated on 21-02-2025; Insurance - 2.30; Staff recovery - 0.47
33	2024-25	KAMUTHI	21-05-2024/ 13-06-2024	44.31	Being the joint custodians of the branch, Muthupriya and saravanan had taken the gold packets from the locker and entered closure of these packets in the system by making dummy entries of bank payments to tally the count of the packets. Only upon checking the bank statement for reconciliation, the misappropriation of 18 packets committed by the joint custodian in connivance with the other 2 employeeswas revealed.	0	0	44.31	Under investigation
34	2024-25	MADURAI MAIN	30-05-2024/ 27-	49	The employee Ashok kumar brought 15 packets of ornaments to the branch and pledged these spurious ornaments in various names in connivance with the other	9.72	0	39.28	Staff fraud. 3 staff are suspended. FMR - 3 Updated on 11-10-2024; 1 account

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			06-2024		two employees Manimegalai Gandhi and Nagaraj Vijayan and thereby misappropriated 49.00 lakhs. The joint fraud was brought to light by the special audit conducted there				closed; 31151-2.93 Lakhs
35	2024-25	ADAJAN	05-06-2024/ 27-06-2024	10.06	The branch staff colluded with auditor and replaced the original ornaments with spurious ornaments.	8.97	1.09	0.00	Staff fraud. 2 staff are already terminated based on another irregularities and auditor resigned. FMR - 3 updated on 18-02-2025; Insurance claim received 8.97 Lakhs and balance amount 1.09 Lakhs written off
36	2024-25	NAGAMALAI	20-06-2024/ 04-07-2024	26.7	In an internal audit conducted in our Nagamalai branch from 10.06.24 to 20.06.24, it was found and reported that 9 packets pledged at the branch in the name of various customers were spurious. It was detected that the said pledges were made fraudulently without the presence of the actual customers by the employees, principal perperators and others of the branch and thereby a total amount of Rs. 22.93 lakhs was advanced and taken by them. It is further found that they fraudulently entered false and inflated gold weights in the system against 4 loans and an excess amount of Rs.3.46 lakhs were siphoned off. Also, the said employees fraudulently advanced an amount of Rs. 0.31 lakhs in excess by entering false net weight against 4 loan accounts.	5.49	0	30.72	Staff fraud. Investigation under progress. FMR - 3 Updated on 07-08-2024; Recovery Rs 2.93 Lakhs. Staff suspended.
37	2024-25	NANGLOI	02-07-2024/ 13-07-2024	2.34	Customer had pledged spurious ornaments, which was difficult to identify in the normal appraisal methods due to thick coating of gold and availed loan of Rs 2.34 Lakhs.	2.34	0	0.00	Under investigation FMR - 3 updated on 07-10-2024; account closed by the customer on 04-10-2024
38	2024-25	VIJAYNAGAR	29-07-	17.76	Madhukumar in collusion with Jayalakshmi, Sitara and the	16	0	23.98	Under investigation FMR - 3 Updated on

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			2024/10-08-2024		customer Padma falsified the accounts, cheated and misappropriated the funds of the company by making false net weights and non-deduction of other materials weight, dishonestly by practicing deception in order to gain undue advantage for themselves and thereby company sustained loss				19-09-2024; Recovery - 2.48 Lakhs FMR - 3 Updated on 06-11-2024; Recovery - 0.82 Lakhs FMR - 3 Updated 0n 26-02-2025; Insurance - 8.60 Lakhs; Customers - 2.63 Lakhs
39	2024-25	MARATHAHALLI	02-09-2024/14-09-2024	2.46	Customer pledged spurious ornaments which was difficult to identify in the normal appraising methods, as it is manufactured in a way so that the outer area appraisal will not yield the actual nature of the ornament, and availed a gold loan of Rs.2.46 lakhs	2.38	0.08	0.00	Under investigation FMR - 3 updated on 20-02-2025; Insurance amount - 1.94 Staff recovery - 0.44
40	2024-25	GOMATHIPURAM	10-09-2024/23-09-2024	3.3	Gold coated ornaments manufactured with other materials which are unidentifiable when normal appraising methods are used and intended only to make quick money was pledged and only when subjected to vigorous appraisal during audit, the spurious nature was known	0	0	3.30	Under investigation
41	2024-25	BADVEL	05-09-2024/24-09-2024	6.44	Gold coated ornaments manufactured with other materials which are unidentifiable when normal appraising methods are used and intended only to make quick money was pledged in 2 accounts 6098 and 6118 for a total sum of 643720/- and only when subjected to vigorous appraisal during audit, the spurious nature was known	0.24	0	6.20	Under investigation FMR - 3 Updated on 06-11-2024; Recovery - 0.24 Lakhs
42	2024-25	VIVEK CIRCLE	13-09-2024/25-09-2024	2.1	A total amount of Rs.2, 09,990/- gold loan was availed by the customers with Rs.1,38,990/- to Mr. Sharath P and Rs.71,000/- to Mr. Ranghaswamy R through gl.no. 30030226 and 30030243 respectively by pledging ornaments. A gold audit was conducted at the branch on 13/09/2024 and it was found out in the audit that the above-mentioned ornaments are	2.1	0	0.00	Under investigation FMR - 3 Updated on 27-09-2024. 1 account closed by the customer amount 1.39 FMR-3 Updated on 19-02-2025. Recovery from staff -0.28. Insurance - 0.43

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					spurious. It was unidentifiable by a simple appraisal and the article can be identified as spurious only on a thorough appraisal and the article was coated thickly with gold. We assume that customers had colluded together to pledge spurious ornaments at the branch and have done this act with the sole intention of cheating the company and thereby make illegal monetary gain.				
43	2024-25	EDAMUTTAM	13-09-2024/ 26-09-2024	9.9	During the verification in the gold audit conducted in the period 12.09.2024 to 18.09.2024, it was found that 5 packets were missing having a total pledge value of 9.90 lakhs. On further verification through CCTV, it was confirmed that the Branch in charge Ms. Prathya K M during her joint operations of the strong room on different dates had very skilfully had diverted the attention of the joint custodian and deftly stolen the packets from the strong room and taken it outside with the intention of enriching herself illegally thereby rendering loss for the company.	9.9	0	0.00	Under investigation FMR - 3 updated on 10-12-2024; Recovery - 9.90 Lakhs from concerned staff
44	2024-25	KARMANGHAT	30-09-2024/ 15-10-2024	0.95	Gold coated ornaments manufactured with other materials mixed in and which are unidentifiable through normal appraising methods are used and done with the sole intention of making quick money. The same was identified only when subjected to vigoruous appraisal during the audit that it is spurious in nature.	0.95	0	0.00	Under investigation FMR-3 Updated on 25-10-2024; Full amount recovered
45	2024-25	KAVERIPATTINAM	09-10-2024/ 22-10-2024	21.16	The customer in collusion with branch staff falsified the accounts, cheated and misappropriated the funds of the company by staff making intentionally false net weights and non deduction of other materials weight, all in all through wrong and false appraisal of the items and the customer decepting in order to gain undue advantage for the customer and the employees	8.59	0	22.44	Under investigation FMR - 3 updated on 08-11-2024; Recovery - 3.71 Lakhs

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					and thereby making the company cope with substantial loss				
46	2024-25	YEMMIGANUR	30-10-2024/ 13-11-2024	48.74	Group of customers colluded with staff, pledged spurious ornaments and availed loans. As the ornaments were skillfully made with the sole purpose of availing loans which was pledged in the name of different customers on different dates. The actual nature of the gold was not detected during the preliminary appraisal. It was identified in the special audit after the current auditor suspected the nature of the gold due to the pledging of similar items continuously.	16.19	0	32.55	Under investigation FMR -3 updated on 13-12-2024. Recovery of Rs 1.86 Lakhs from customers. Total Recovery 6.63 Lakhs. FMR - 3 updated on 19-12-2024. Recovery of Rs 9.56 Lakhs from customers. Total Recovery 16.19 Lakhs
47	2024-25	ARUPPUKOTTAI - 2	06-11-2024/ 15-11-2024	8.82	Customer availed loans by pledging jewellery having delicate designery. Since it was deeply fabricated item which is intended for the sole purpose of pledging and cheating, the normal appraisal methods did not bear any results during the initial appraisal and later in the initial audit. Only when deeply appraised, the true nature was known	0	0	8.82	Under investigation
48	2024-25	ROYAPURAM	06-11-2024/ 21-11-2024	2.92	Gold coated ornaments manufactured with other materials mixed in and which are unidentifiable through normal appraising methods are used and done with the sole intention of making quick money. The same was identified only when subjected to vigoruous appraisal during the audit that it is spurious in nature.	0	0	2.92	Under investigation
49	2024-25	MANALI	08-11-2024/ 21-11-2024	3.05	Gold coated ornaments manufactured with other materials mixed in and which are unidentifiable through normal appraising methods are used and done with the sole intention of making quick money. The same was identified only when subjected to vigoruous appraisal during the audit that it is spurious in nature.	0	0	3.05	Under investigation

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50	2024-25	WATRAP	19-11-2024/ 02-12-2024	2.25	Customer deceitfully pledged spurious ornaments and availed loan from the company. As a thick layer of gold was coated over the ornaments, it could not be identified in the preliminary appraisal at the time of the pledge. Only upon the thorough gold audit, it was known to be spurious.	2.25	0	0.00	Under investigation FMR - 3 Updated on 07-02-2025; Full amount recovered from the customer and account closed
51	2024-25	PARAMAKUDI 2	21-11-2024/ 03-12-2024	4.35	Customer deceitfully pledged spurious ornaments and availed loan from the company. As a thick layer of gold was coated over the ornaments, it could not be identified in the preliminary appraisal at the time of the pledge. Only upon the thorough gold audit, it was known to be spurious.	0	0	4.35	Under investigation
52	2024-25	K.R. PURAM	06-12-2024/ 14-12-2024	3.06	Mr. Mubarak Pasha and Imthiaz colluded together with common intention, deceitfully pledged spurious gold and thereby fraudulently obtained and obtained loan from the company which resulted in a loss of Rs. 305500 for the company	0	0	3.06	Under investigation
53	2024-25	ATHEBELE	14-12-2024/ 20-12-2024	1.63	On 06.06.2024, customer named Govardhan. N, pledged a ring having gross weight of 12.3 grams vide Gold Loan No. 8023 and advanced an amount of Rs. 55,000/- from our Athebele branch. Subsequently on 08.06.2024 Govardhan pledged a locket having gross weight of 23.7 grams vide Gold Loan No. 8028 and availed a loan for Rs. 1, 08,000/- from the same branch. In the meanwhile, it is known from some of the nearby NBFCs that the said customer Mr. Govardhan has pledged certain spurious ornaments in such companies and fraudulently advanced loans from them. Upon the information, on 14.12.2024, an internal audit was conducted in the branch and it was found and reported that the aforesaid ring and locket pledged by Govardhan was	0	0	1.63	Under investigation

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					spurious. As a thick layer of gold was coated aver the ornaments, it could not be identified in the preliminary appraisal at the time of the pledge. Only upon the thorough gold audit it was known to be spurious.				
54	2024-25	KULASHEKARA	09-12-2024/ 27-12-2024	14.46	On 02.12.2024, a group of persons including some of our customers organized in front of the branch and demanded the allegedly gold pledged in our branch on the basis of manual DPN available with them, allegedly provided by the employees, who are not in our rolls anymore. As per the manual DPNs shown by them, the branch did not have any loans either in the name nor the amount. An audit was arranged at the branch based on the complaints received at the branch. From the audit it was observed that Ms Kavitha, ex Branch in charge and ex – joint custodian Ms Karthika along with the ex RE – Sujin during their employment had committed various malpractices such as not pledging the customers gold in their name and providing manual DPNs instead of system generated DPNs, wherein they had misappropriated additional amount and keeping the pledges in their acquaintances name and also received payments from the customers directly and provided fake receipts. Claims are approximate made for Rs 3091597/- , also these claims are made after a long period and hence the customers involvement is also suspected. Hence a complaint was registered in the DSP office, Thuckalay to initiate investigation and bring out the facts.	0	0	14.46	Under investigation
55	2024-25	NAGERCOIL	18-12-2024/ 30-	8.7	The customer deceitfully pledged spurious gold ornaments and fraudulently availed and advanced loan from the company	8.7	0	0.00	Under investigation FMR -3 Updated on 18-02-2025. Account

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			12-2024						fully closed. Present recovery 6.33 Lakhs.
56	2024-25	KAIPATTOOR	02-01-2025/ 09-01-2025	1.06	The customer deceitfully pledged spurious gold ornaments and fraudulently availed and advanced loan from the company sustained a total loss of Rs. 1,05,500/-.	0	0	1.06	Under investigation
57	2024-25	TADIPATRI-KADAPA ROAD	30-12-2024/ 14-01-2025	1.19	The customer deceitfully pledged spurious gold ornaments and fraudulently availed and advanced loan from the company sustained a total loss of Rs. 119449/-.	0	0	1.19	Under investigation
58	2024-25	CHAMUNDIPURAM	31-12-2024/ 15-01-205	3.08	The customerr deceitfully pledged spurious ornaments and fraudulently availed and advanced loan from the company, thereby company sustaining a loss of Rs.308463	0	0	3.08	Under investigation
59	2024-25	NARSAPUR	30-12-2024/ 16-01-2025	10.66	The branch staff colluded with customers to deceitfully pledge counterfeit ornaments and fraudulently advanced company funds. Additionally, they conspired with customers to misappropriate company resources by making false entries into the system, which led to the approval of excessive finance for the customers. It was also discovered that the branch head sanctioned several fraudulent loans, resulting in disproportionate financial disbursements to multiple customers. As a consequence of these fraudulent transactions, the company incurred a total loss of Rs. 10, 66,487.	7.45	0	7.93	Under investigation FMR - 3 updated on 21-03-2025; Present recovery - 5.45 Lakhs; Total Recovery ; 7.45 Lakhs
60	2024-25	WEST MOGAPPAIR	04-01-2025/ 18-01-2025	8.36	As a thickly coated layer of gold was around the ornaments, the nature of the ornaments could not be detected in the primary audit. The nature of the ornaments could be identified only on deep cutting and requires the consent of the customer, if it is within the loan tenure period. Later the spurious nature was identified through deep cut as part of the pre - auction audit	0	0	8.36	Under investigation

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					since the accounts had exceeded the loan tenure period.				
61	2024-25	MATHI KERE	07-01-2025/ 23-01-2025	2.27	on 06-01-25, Mr Sunil requested for a takeover of his gold loan from another nbfc, after verifying the related documents an amount of Rs. 227360- was transferred to his bank account. Instead of settling the existing loan at the other nbfc and providing the ornaments to our branch to pledge, he misused the amount. He neither provided the gold ornaments nor returned the amount back to us.	0	0	0.00	Under investigation
62	2024-25	HOSAKOTE	15-01-2025/ 24-01-2025	3.38	The customer deceitfully pledged spurious - gold coated ornamnets and fraudulently availed and advanced loan from the company.	2.32	0	1.06	Under investigation FMR - 3 updated on 13-03-2025; present recovery 1.86 Lakhs and total recovery 2.32 Lakhs.
63	2024-25	ELURU POWER PET	20-01-2025/ 31-01-2025	11.9	Branch Manager Mr. Pagadala Ananda Samuel and Joint Custodian Mr. Pasupuleti Anand Kumar conspired with customers Pagadala Ajay Kumar and Nalluri Rajesh to pledge spurious gold with the company through deception. They also misappropriated 135 grams of gold from the company's strong room, resulting in a substantial financial loss of Rs. 11,89,800 (loan principal) to the company.	0	0	11.90	Under investigation
64	2024-25	ONGOLE-KURNOOL ROAD	23-01-2025/ 04-02-2025	2.63	Gold coated ornaments manufactured with other materials mixed in and which are unidentifiable through normal appraising methods are used and done with the sole intention of making quick money. The same was identified only when subjected to vigorous appraisal during the audit that it is spurious in nature.	0	0	2.63	Under investigation
65	2024-25	VIDYA NAGAR	24-01-2025/ 05-	1.31	Ayub Pasha intentionally pledged spurious gold by deceitfully representing it as pure gold, thereby inducing the company to advance a loan and fraudulently obtaining the	0	0	1.31	Under investigation

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			02-2025		loan, which caused a loss of Rs. 1,31,132 to the company and, in doing so, cheated the company.				
66	2024-25	VELUR	27-01-2025/ 10-02-2025	4.96	Sagunthaladevi intentionally pledged spurious ornaments along with gold ornaments under deceitful representation regarding their purity, thereby inducing the company to sanction a loan, which resulted in the loss of Rs.496307	0	0	4.96	Under investigation
67	2024-25	HSR LAYOUT	01-02-2025/ 12-02-2025	2.90	The customer intentionally pledged spurious gold by deceitfully representing it as pure gold, thereby inducing the company to advance loans and fraudulently obtaining the loans, which caused a loss of Rs. 290000 to the company and, in doing so, cheated the company.	0	0	2.90	Under investigation
68	2024-25	VIDYA NAGAR	22-02-2025/ 06-03-2025	0.82	Mohammed Adil intentionally pledged spurious gold by deceitfully representing it as pure gold, thereby inducing the company to advance a loan and fraudulently obtaining the loan, which caused a loss of Rs. 82000 to the company and, in doing so, cheated the company.	0	0	0.82	Under investigation
69	2024-25	KUPPAM TOWN	24-02-2025/ 07-03-2025	2.40	G Srikanth pledged the articles in the branch by making a false declaration that the said ornaments are genuine, and thereby dishonestly induced the company to advance loan, which caused a loss of of Rs 240000.	0	0	2.40	Under investigation
70	2024-25	MALLESHWARAM	28-02-2025/ 11-03-2025	1.6	Mr. Prabir Poddar intentionally pledged spurious gold by deceitfully representing it as pure gold, thereby inducing the company to advance a loan and fraudulently obtaining the loan, which caused a loss of Rs. 160300 to the company and, in doing so, cheated the company.	0	0	1.60	Under investigation
71	2024-25	MANDI PET	08-03-2025/ 19-03-2025	0.92	Customers deceitfully pledged spurious gold and thereby fraudulently obtained and advanced loan from the company which resulted in a loss of Rs 92272/- to the company.	0	0	0.92	Under investigation

Sr. No.	Financial Year/ Period	Branch	Date Of Detection / Date of Reporting To RBI	Gross Amount (₹ Lakh)	Modus Operandi & Action Taken	Recovery (₹ Lakh)	Amount Written Off (₹ Lakh)	Provision (₹ Lakh)	Action taken by the Company
72	2024-25	CANTONMENT - TRICHY	10-03-2025/ 20-03-2025	1.4	Customers deceitfully pledged spurious gold and thereby fraudulently obtained and advanced loan from the company which resulted in a loss of Rs 140000/- to the company.	0	0	1.40	Under investigation

(i) Details of disciplinary action taken by SEBI or Stock Exchanges against the Promoters/ Group companies in the last five financial years, including outstanding action.

Nil

(j) Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues, delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company; deposits and interests thereon; and loan from any bank or financial institutions and interest thereon, in the last three financial years and current financial year

Nil.

(k) Summary of reservations, qualifications, emphasis of matter or adverse remarks of auditors during the last three Fiscals immediately preceding the year of issue of this Draft Prospectus and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or emphasis of matter or adverse remarks

Our statutory auditors have highlighted certain matters of emphasis to their audit opinion relating to our Audited Financial Statements for the last three financial years:

<table>
<tr><th>Financial Year</th><th>Basis of Financial Statements</th><th>Summary of Qualifications or reservations or emphasis of matter or adverse remarks or other observations by auditors in the audit report / CARO</th><th>Impact on the financial statements and financial position of the Company</th><th>Corrective steps taken and proposed to be taken by the Company</th></tr>
<tr><td>2023-2024</td><td>Standalone</td><td>(A) Report on other legal and regulatory requirements:
iii (d)- Out of the total loans and advances there are advances which are overdue for more than 90 days amounting to ₹3,114.31 Lakhs, against which appropriate provision has been made. The company has taken necessary steps for the recovery of principal and interest. The details are given in the below table.
<table>
<tr><th>Type of Loan</th><th>No of Loans (in ₹ lakh)</th><th>Principal Overdue</th><th>Remarks</th></tr>
<tr><td>Gold Loan</td><td>3,676.00</td><td>2,368.56</td><td rowspan="2">Since it's a NBFC their principal business is to</td></tr>
<tr><td>Micro finance</td><td>2,770.00</td><td>653.82</td></tr>
</table></td><td>Appropriate provision has been made against the said amount and income has been recognised as per RBI IRACP norms</td><td>The matter has been noted and suitable measures has already been taken.</td></tr>
</table>

Financial Year	Basis of Financial Statements	Summary of Qualifications or reservations or emphasis of matter or adverse remarks or other observations by auditors in the audit report / CARO	Impact on the financial statements and financial position of the Company	Corrective steps taken and proposed to be taken by the Company

Loan against property	1.00	91.93	give loans. The loans for which overdue for more than 90 days are treated as irregular and these cases are classified as NPA as per RBI IRACP norms. The income recognition of the above has been done as per RBI IRACP norms.
TOTAL	**6,447.00**	**3,114.31**	

vii(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 following:

Forum where the dispute is pending	Period of Dispute	Tax Demand (in ₹ Lakhs)	Tax paid (in ₹ lakhs)
Commissioner of Income-tax (Appeals), Kochi	AY 2010-11	68.58	51.65
Commissioner of Income-tax (Appeals), Kochi	AY 2013-14	199.84*	39.96
Commissioner of Income-tax (Appeals), Kochi	AY 2015-16	270.19*	54.04
Commissioner of Income-tax (Appeals), Kochi	AY 2016-17	170.38*	34.08
Commissioner of Income-tax (Appeals), Kochi	AY 2017-18	118.58*	23.72
Honourable High court of Kerala	AY 2017-18	227.45	-

* Of the above, Bank Guarantee in favour of the Commissioner of Income-Tax has been taken for ₹607.19 lakhs.

To the extent of tax not paid, profit /general reserve of the company has been overstated.

Appeal has been filed in all cases. Order favouring to the Company has been received from CIT(A) for AY 2013-14, AY 2015-16 and AY 2016-17. CIT(A) has not passed Order for AY 2017-18 till date.

xi (a) - According to the information and explanations given to us, there were 14 fraud case amounting to ₹122.15 lakhs reported in the company during the year, out of which 6 cases were in respect of spurious gold pledged with the company in 6 branches amounting to ₹33.29 lakhs on which 30.35 Lakhs recovered during the year and 100% provision has been made for the balance outstanding.

100% provision has been made on the unrecovered amount.

Complaint filed at respective police stations. Disciplinary action taken against employees. Random customer verification initiated during

<table>
<tr><th>Financial Year</th><th>Basis of Financial Statements</th><th>Summary of Qualifications or reservations or emphasis of matter or adverse remarks or other observations by auditors in the audit report / CARO</th><th>Impact on the financial statements and financial position of the Company</th><th>Corrective steps taken and proposed to be taken by the Company</th></tr>
<tr><td></td><td></td><td></td><td></td><td>inspection to avoid such incidents in the future.</td></tr>
<tr><td>2022-2023</td><td>Standalone</td><td>(A) Report on other legal and regulatory requirements:
iii (d) - Out of the total loans and advances there are advances which are overdue for more than 90 days amounting to ₹1,399.81 Lakhs, against which appropriate provision has been made. The company has taken necessary steps for the recovery of principal and interest. The details are given in the below table:
<table><tr><th>Type of Loan</th><th>No of Loan (in ₹ lakhs)</th><th>Principal Overdue (in ₹ lakhs)</th><th>Remarks</th></tr><tr><td>Gold loan</td><td>1,374.00</td><td>1,034.86</td><td rowspan="4">Since it’s a NBFC their principal business is to give loans. The loans for which overdue for more than 90 days are treated as irregular and these cases are classified as NPA as per RBI IRACP norms. The income recognition of the above has been done as per RBI IRACP norms.</td></tr><tr><td>Micro Finance</td><td>1,660.00</td><td>273.02</td></tr><tr><td>Loan against property</td><td>1.00</td><td>91.93</td></tr><tr><td>Total</td><td>3,035.00</td><td>1,399.81</td></tr></table>
vii(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 following:
<table><tr><th>Forum where the dispute is pending</th><th>Period of Dispute</th><th>Tax Demand (in ₹ Lakhs)</th><th>Tax paid (in ₹ lakhs)</th></tr><tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2010-11</td><td>68.58</td><td>51.65</td></tr><tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2013-14</td><td>199.84*</td><td>39.96</td></tr><tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2015-16</td><td>270.19*</td><td>54.04</td></tr><tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2016-17</td><td>170.38*</td><td>34.08</td></tr><tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2017-18</td><td>118.58*</td><td>23.72</td></tr><tr><td>Honourable high court of Kerala</td><td>AY 2017-18</td><td>227.45</td><td>-</td></tr></table></td><td>Appropriate provision has been made against the said amount and income has been recognised as per RBI IRACP norms.

To the extent of tax not paid, profit /general reserve of the company has been overstated.</td><td>The matter has been noted and suitable measures has already been taken.

Appeal has been filed in all cases. Order favouring to the Company has been received from CIT(A) for AY 2013-14, AY 2015-16 and AY 2016-17. CIT(A) has not passed Order for AY 2017-18 till date.</td></tr>
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<tr><th>Financial Year</th><th>Basis of Financial Statements</th><th>Summary of Qualifications or reservations or emphasis of matter or adverse remarks or other observations by auditors in the audit report / CARO</th><th>Impact on the financial statements and financial position of the Company</th><th>Corrective steps taken and proposed to be taken by the Company</th></tr>
<tr><td></td><td></td><td>*of the above, Bank Guarantee in favor of the Commissioner of Income- tax has been taken for ₹607.19 lakhs.

xi (a) - According to the information and explanations given to us, there were 9 fraud case amounting to ₹58.61 lakhs reported in the company during the year, out of which 8 cases were in respect of spurious gold pledged with the company in 8 branches amounting to ₹29.18 lakhs on which 21.91 Lakhs recovered during the year and 100% provision has been made for the balance outstanding. During the year company reported a fraud involving pledge of stolen/ absconded ornaments in collusion with branch head of the company and later on the ornaments were seized by the police department which created a loss to the company amounting to ₹29.43 lakhs out of which ₹0.75 lakhs was written off & ₹28.68 lakhs recovered during the year</td><td>100% provision has been made on the unrecovered amount.</td><td>Complaint filed at respective police stations. Disciplinary action taken against employees. Random customer verification initiated during inspection to avoid such incidents in the future.</td></tr>
<tr><td>2021-2022</td><td>Standalone</td><td>(A) Report on other legal and regulatory requirements:
iii(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 ₹469.66 Lakhs, against which appropriate provision has been made.

iii (d) - Out of the total loans and advances there are advances which are overdue for more than 90 days amounting to ₹1,526.34 Lakhs, against which appropriate provision has been made. The company has taken necessary steps for the recovery of principal and interest. The details are given in the below table.
<table>
<tr><th>Type of Loan</th><th>No of cases</th><th>Principal overdue (in ₹ lakhs)</th><th>Interest overdue</th><th>Total overdue (in ₹ lakhs)</th><th>Remarks</th></tr>
<tr><td>Gold Loan</td><td>1570</td><td>1,056.68</td><td>-</td><td>1,056.68</td><td rowspan="3">These cases are classified as per RBI IRACP norms and income recognition also been done as per RBI-</td></tr>
<tr><td>Micro Finance</td><td>2461</td><td>377.73</td><td>-</td><td>377.73</td></tr>
<tr><td>Loan against property</td><td>1</td><td>91.93</td><td>-</td><td>91.93</td></tr>
</table></td><td>Appropriate provision has been made against the outstanding amount.

Appropriate provision has been made against the outstanding amount and income has been recognised as per RBI IRACP norms.</td><td>The matter has been noted and suitable measures has already been taken.

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</table>

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<tr><th>Financial Year</th><th>Basis of Financial Statements</th><th>Summary of Qualifications or reservations or emphasis of matter or adverse remarks or other observations by auditors in the audit report / CARO</th><th>Impact on the financial statements and financial position of the Company</th><th>Corrective steps taken and proposed to be taken by the Company</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td></td><td></td><td></td><td></td><td></td><td>IRACP norms.</td></tr>
<tr><td>Total</td><td>4032</td><td>1,526.34</td><td>-</td><td>1,526.34</td><td></td></tr>
</table>
vii (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 following:
<table>
<tr><th>Forum where the dispute is pending</th><th>Period of Dispute</th><th>Tax Demand (in ₹ Lakhs)</th><th>Tax Paid (in ₹ Lakhs)</th></tr>
<tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2010-11</td><td>68.58</td><td>51.65</td></tr>
<tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2013-14</td><td>199.84</td><td>39.96</td></tr>
<tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2015-16</td><td>270.19</td><td>54.04</td></tr>
<tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2016-17</td><td>170.38</td><td>34.08</td></tr>
<tr><td>Commissioner of Income-tax (Appeals), Kochi</td><td>AY 2017-18</td><td>118.58</td><td>23.72</td></tr>
</table>
xi (a) - According to the information and explanations given to us, there were 4 fraud case amounting to ₹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 ₹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 ₹2.89 lakhs out of which ₹1.50 lakhs was written off & ₹0.27 lakhs recovered during the year and 100% provision has been made on the balance amount outstanding.
</td><td>To the extent of tax not paid, profit /general reserve of the company has been overstated.

100% provision has been made on the unrecovered amount.</td><td>Appeal has been filed in all cases. Order favouring to the Company has been received from CIT(A) for AY 2013-14, AY 2015-16 and AY 2016-17. CIT(A) has not passed Order for AY 2017-18 till date.

Complaint filed at respective police stations. Disciplinary action taken against employees. Random customer verification initiated during inspection to avoid such incidents in the future.</td></tr>
</table>

(l) Details of disciplinary action taken by SEBI or Stock Exchanges against the Promoter/Group companies in the last five financial years, including outstanding action:

Nil

OTHER REGULATORY AND STATUTORY DISCLOSURES

Issuer's Absolute Responsibility

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

Authority for the Issue

At the meeting of the Board of Directors of our Company held on February 27, 2025, the Board approved the public issue of Secured, Redeemable, Non-Convertible Debenture for an amount aggregating up to ₹ 10,000 lakh, with an option to retain oversubscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000 lakh. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013, duly approved by the shareholders' vide their resolution passed at their general meeting held on December 14, 2022.

Prohibition by SEBI

Our Company, persons in control of our Company, Directors of our Company and/or our Promoter have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoters, is a director or promoter of another company which has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

Our Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Draft Prospectus.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months as on the date of this Draft Prospectus.

No regulatory action is pending against the Issuer or its Promoter or directors before the SEBI or the Reserve Bank of India.

Categorisation as a Wilful Defaulter

Our Company or persons in control of our Company, our Directors and/or our Promoters have not been categorised as a Wilful Defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, ECGC or any other governmental / regulatory authority nor are they in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six months.

Declaration as a Fugitive Economic Offender

None of our Directors have been declared as a Fugitive Economic Offender.

Other confirmations

None of our Company or our Directors or our Promoters, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Draft Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

The NCDs shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

The consents/ permissions and no objection certificates required for creation of further *pari passu* charge in favour of the Debenture Trustee on the assets from the Existing Secured Creditors, wherever required, have been obtained.

Further, it is confirmed that our Company is in compliance with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any other guidelines so

specified by SEBI;

Window Advertisement of Financial Results

The Company may publish only a window advertisement in the newspapers that refers to a quick response code and the link of the website of the Company and stock exchange(s), where such financial results are available and capable of being accessed by the investors under the terms of SEBI Listing Regulations. Further, in respect of non-convertible securities of the Company outstanding as on date of this Draft Prospectus, where the relevant offer documents do not provide for such window advertisements, the Company shall obtain prior approval from the relevant debenture trustee prior to making such window advertisement.

Disclaimer statement from our Company, our Directors and the Lead Manager

Our Company, our Directors and the Lead Manager accepts no responsibility for statements made other than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance in connection with the Issue of the NCDs and anyone placing reliance on any other source of information including our Company's website, or any website of any affiliate of our Company would be doing so at their own risk. The Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement.

None among our Company or the Lead Manager or any Member of the Syndicate is liable for any failure in uploading the Application due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who make an Application in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs and will not issue, sell, pledge, or transfer the NCDs to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for statements made otherwise than in this Draft Prospectus, the Prospectus or in the advertisement or any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER, VIVRO FINANCIAL SERVICES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRFAT PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, VIVRO FINANCIAL SERVICES PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•] WHICH READS AS FOLLOWS:

[•]

Disclaimer Clause of BSE

As required, a copy of this Draft Prospectus has been submitted to the BSE. The Disclaimer Clause as will be intimated by

the BSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to filing with the RoC.

Disclaimer Clause of RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED APRIL 13, 2002 AND A FRESH CERTIFICATE OF REGISTRATION DATED JANUARY 1, 2014 BEARING REGISTRATION NO. N-16.00175 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. HOWEVER, RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/DISCHARGE OF LIABILITY BY THE COMPANY.

DISCLAIMER CLAUSE OF INDUSTRY REPORT PROVIDOR

ALL INFORMATION CONTAINED IN THE REPORT HAS BEEN OBTAINED FROM SOURCES BELIEVED BY FITCH SOLUTIONS INDIA ADVISORY PRIVATE LIMITED (ERST WHILE IRR ADVISORY SERVICES PRIVATE LIMITED) TO BE ACCURATE AND RELIABLE. WE HAVE TAKEN REASONABLE CARE TO ENSURE THAT THE INFORMATION THEREIN IS TRUE. ALL INFORMATION CONTAINED THEREIN MUST BE CONSTRUED SOLELY AS STATEMENTS OF OPINION AND NOT ANY RECOMMENDATION FOR INVESTMENT. IN NO EVENT SHALL, FITCH SOLUTIONS INDIA ADVISORY PRIVATE LIMITED (ERST WHILE IRR ADVISORY SERVICES PRIVATE LIMITED) BE LIABLE FOR ANY LOSSES INCURRED IN ANY FORM WHATSOEVER, BY USERS OR ANY OF THE PARTY PLACING RELIANCE AND FROM ANY USE OF THE REPORT OR ITS CONTENTS THEREOF.

DISCLAIMER CLAUSE OF CREDIT RATING AGENCY

ICRA RATINGS SHOULD NOT BE TREATED AS RECOMMENDATION TO BUY, SELL OR HOLD THE RATED DEBT INSTRUMENTS. ICRA RATINGS ARE SUBJECT TO A PROCESS OF SURVEILLANCE, WHICH MAY LEAD TO REVISION IN RATINGS. AN ICRA RATING IS A SYMBOLIC INDICATOR OF ICRA'S CURRENT OPINION ON THE RELATIVE CAPABILITY OF THE ISSUER CONCERNED TO TIMELY SERVICE DEBTS AND OBLIGATIONS, WITH REFERENCE TO THE INSTRUMENT RATED. PLEASE VISIT OUR WEBSITE WWW.ICRA.IN OR CONTACT ANY ICRA OFFICE FOR THE LATEST INFORMATION ON ICRA RATINGS OUTSTANDING. ALL INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED BY ICRA FROM SOURCES BELIEVED BY IT TO BE ACCURATE AND RELIABLE, INCLUDING THE RATED ISSUER. ICRA HOWEVER HAS NOT CONDUCTED ANY AUDIT OF THE RATED ISSUER OR OF THE INFORMATION PROVIDED BY IT. WHILE REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE INFORMATION HEREIN IS TRUE, SUCH INFORMATION IS PROVIDED 'AS IS' WITHOUT ANY WARRANTY OF ANY KIND, AND ICRA IN PARTICULAR, MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS OR COMPLETENESS OF ANY SUCH INFORMATION. ALSO, ICRA OR ANY OF ITS GROUP COMPANIES MAY HAVE PROVIDED SERVICES OTHER THAN RATING TO THE ISSUER RATED. ALL INFORMATION CONTAINED HEREIN MUST BE CONSTRUED SOLELY AS STATEMENTS OF OPINION, AND ICRA SHALL NOT BE LIABLE FOR ANY LOSSES INCURRED BY USERS FROM ANY USE OF THIS PUBLICATION OR ITS CONTENTS.

Track record of past public issues handled by the Lead Manager

The track record of past issues handled by the Lead Manager, as required by SEBI Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2023/157 dated September 26, 2023, are available at the following website:

Name of Lead Manager	Website
Vivro Financial Services Private Limited	http://www.vivro.net/offerdocuments

Listing

An application will be made to BSE for permission to deal in and for an official quotation of our NCDs.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Draft Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange mentioned above are taken within 6 Working Days from the date of closure of the issue.

The Issue shall be kept open for a minimum period of three Working Days and a maximum of ten working days in compliance with Regulation 33A of SEBI NCS Regulations.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription, NCDs shall not be listed and in the event of zero subscription to any one or more of the series, such series of NCDs shall not be listed.

Our Company shall pay interest at 15% per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within 5 Working Days of the Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Previous Statutory Auditor, legal advisor to the Issue, Lead Manager, the Registrar to the Issue, Credit Rating Agency, the Debenture Trustee, FSIAPL, the Public Issue Account Bank, Sponsor Bank, Refund Bank, Syndicate Member, and the lenders to our Company to act in their respective capacities, have been obtained and will be filed along with a copy of the Draft Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further such consents have not been withdrawn up to the time of delivery of the Draft Prospectus with the Stock Exchange.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received the written consent dated March 28, 2025 from Mohandas & Associates, Chartered Accountants our Statutory Auditor, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their report dated February 6, 2025 on the Limited Review Unaudited Financial Results for the nine months period ended December 31, 2024, and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993.

Our Company has further received a consent dated March 28, 2025 from Ramdas & Venugopal, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our statutory auditor, and in respect of their (i) report dated May 27, 2024 on the Audited Financial Statements for Fiscal 2024; (ii) report dated May 17, 2023 on the Audited Financial Statements for Fiscal 2023; and (iii) report dated May 20, 2022 on the Audited Financial Statements for Fiscal 2022.

The above experts are not, and has not been, engaged or interested in the formation or promotion or management, of the Company and have given their written consent to the Company as stated in the paragraph above and has not withdrawn such consent before the filing of this Draft Prospectus with the Stock Exchange and SEBI.

Common form of Transfer

We undertake that there shall be a common form of transfer for the NCDs held in dematerialised form and they shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant Depositary Participants of the transferor or transferee and any other applicable laws and rules notified in respect thereof.

Filing of the Draft Prospectus

A copy of this Draft Prospectus has been filed with the Designated Stock Exchange in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website(s) prior to the opening of the Issue. The Draft Prospectus is displayed on the website of the Company and the Lead Manager. The Draft Prospectus has also been submitted with SEBI for record purpose.

Filing of the Prospectus

The Prospectus shall be delivered for filing to RoC in accordance with Section 26 of the Companies Act, 2013.

Disclosure in accordance with the SEBI Debenture Trustee Master Circular

Appointment of Debenture Trustee

The Company has appointed the Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

Terms and Conditions of Debenture Trustee Agreement

Fees charged by Debenture Trustee

The remuneration of the Debenture Trustee shall include ₹ 1,50,000 as trustee acceptance fees along with annual fees amounting to 0.0075% of outstanding debentures, as provided under the offer letter No. MCTSL/EL/24-25/963 dated April 01, 2024 as may be amended/modified from time to time.

Terms of carrying out due diligence

As per the SEBI Debenture Trustee Master Circular, as amended and/ or supplemented from time to time, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer company are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our company has consented to.

a. The Debenture Trustee, either through itself or its agents /advisors/ consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document /disclosure document / information memorandum / private placement memorandum, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.

b. The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third party security provider are registered / disclosed.

c. Further, in the event that existing charge holders have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

d. Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws/ Applicable Law.

The Debenture Trustee shall have the power to independently appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture

Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company. Process of Due Diligence to be carried out by the Debenture Trustee Due Diligence will be carried out as per SEBI NCS Regulations and circulars issued by SEBI from time to time. This would broadly include the following:

- A Chartered Accountant ("**CA**") appointed by Debenture Trustee will conduct independent due diligence as per scope provided, regarding security offered by the Issuer.
- CA will ascertain, verify, and ensure that the assets offered as security by the Issuer is free from any encumbrances or necessary permission / consent / NOC has been obtained from all existing charge holders.
- CA will conduct independent due diligence on the basis of data / information provided by the Issuer.
- CA will, periodically undertake due diligence as envisaged in SEBI circulars depending on the nature of security.
- On basis of the CA's report / finding Due Diligence certificate will be issued by Debenture Trustee and will be filed with relevant Stock Exchanges.
- Due Diligence conducted is premised on data / information made available to the Debenture Trustee appointed agency and there is no onus of responsibility on Debenture Trustee or its appointed agency for any acts of omission / commission on the part of the Issuer.

While the NCD is secured as per terms of the Offer Document and charge is held in favour of the Debenture Trustee, the extent of recovery would depend upon realization of asset value and the Debenture Trustee in no way guarantees / assures full recovery / partial of either principal or interest.

Other Confirmations

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Debenture Trustee Master Circular.

The NCDs shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE DATED MARCH 28, 2025 AS PER THE FORMAT SPECIFIED IN ANNEXURE-II-A TO THE SEBI DEBENTURE TRUSTEE MASTER CIRCULAR WHICH READS AS FOLLOWS:

1. *"We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.*

2. *On the basis of such examination and of the discussions with the issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:*

We confirm that:

a. *The issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.*

b. *The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).*

c. *The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.*

d. *Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document/ placement memorandum and all disclosures made in the offer document/ placement memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.*

e. *Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document/ placement memorandum.*

f. *Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.*

We have satisfied ourselves about the ability of the Issuer to service the debt securities."

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annexure II-A of the SEBI Debenture Trustee Master Circular.

Debenture Redemption Reserve ("DRR")

Pursuant to Regulation 16 of the SEBI NCS 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. As per rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended by Companies (Share Capital and Debentures) Amendment Rules, 2019, a 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, our Company is not required to create a DRR for the NCDs proposed to be issued through this Issue. Further, our Company 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 following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on the 31st day of March of that year, in terms of the applicable laws.

Issue related expenses

For details of Issue related expenses, see "*Objects of the Issue – Issue related expenses*" on page 52.

Reservation

No portion of this Issue has been reserved.

Details regarding the Company and other listed companies which are associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years

There are no other listed companies under the same management / associate companies as described under the Companies Act, 2013, which have made any public capital issuances during the previous three years from the date of this Draft Prospectus.

Public issue of Equity Shares

Our Company has not made any public issue of Equity Shares or rights issuances in the last three years.

Previous Public Issues of Non-Convertible Debenture

Other than Public Issue 1, Public Issue 2, Public Issue 3, Public Issue 4, Public Issue 5, Public Issue 6, Public Issue 7, Public Issue 8, Public Issue 9, Public Issue 10, Public Issue 11, Public Issue 12, Public Issue 13, Public Issue 14, Public Issue 15, Public Issue 16, and Public Issue 17 as disclosed below, there has been no previous public issue of non-convertible debentures by the Company.

Dividend

Our Company has no formal dividend policy. The declaration and payment of dividends on our Equity Shares will be recommended by the Board of Directors and approved by our Shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. Our Company has declared following dividends during the current financial year and the last three Fiscals.

(₹ In lakh, except per share data)

Particulars	For the current financial year as on Date of this Draft Prospectus	For the Financial Year ended March 31,		
		2024	2023	2022
On Equity Shares				
Fully Paid-up Share Capital (Nos.)	2,50,32,539	2,50,32,539	2,49,52,539	2,49,52,539
Face Value / Paid Up Value (₹)	100	100	100	100
Equity Share Capital	25,032.54	25,032.54	24,952.54	24,952.54
Rate of Dividend	0.00%	0.00%	0.00%	0.00%
Dividend	-	-	-	-
Dividend Distribution Tax	-	-	-	-

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Thrissur, Kerala, India.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹10 lakh or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10 lakh or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 50 lakh or with both.

Details regarding the lending done by the issuer out of the issue proceeds of debt securities in last three years

A. Lending Policy

Please refer to the paragraph titled "Gold Loan Business" under Chapter "*Our Business*" at page 105**.**

B. Utilisation of Issue Proceeds of the previous issue by our Company and Group Companies

A. Muthoottu Mini Financiers Limited ('the Company')

i. **Public issue of equity shares by the Company**

The Company has not undertaken any public issue of equity shares in the last three years.

ii. **Previous public issues of non-convertible debentures by the Company**

Except as given below, the Company has not undertaken the public issues of non-convertible debentures.

Public Issue I

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	February 19,2014
	Date of Closing	March 12,2014
	Issue Proceeds	19,559.00
	Utilisation of Issue Proceeds	
1.	Onward Lending	19,182.00
2.	Repayment of Loans	-
3.	Issue Related Expense	377.00
4.	General Corporate Purpose	-
	Total	**19,559.00**

Public Issue II

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	July 11, 2014
	Date of Closing	July 30, 2014
	Issue Proceeds	24,963.00
	Utilisation of Issue Proceeds	
1.	Onward Lending	4,648.00
2.	Interest/Repayment of Loans	16,450.00
3.	Issue Related Expense	291.00
4.	General Corporate Purpose	3,574.00
	Total	**24,963.00**

Public Issue III

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	September 29, 2014
	Date of Closing	October 28, 2014
	Issue Proceeds	26,913.00
	Utilisation of Issue Proceeds	
1.	Onward Lending	14,602.00
2.	Repayment of Loans	10,072.00
3.	Issue Related Expense	303.00
4.	General Corporate Purpose	1,936.00
	Total	**26,913.00**

Public Issue IV

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	February 24, 2015
	Date of Closing	March 25, 2015
	Issue Proceeds	24,909.00
	Utilisation of Issue Proceeds	
1.	Onward Lending	11,117.00
2.	Repayment of Loans	11,286.00
3.	Issue Related Expense	274.00
4.	General Corporate Purpose	2,232.00
	Total	**24,909.00**

Public Issue V

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	July 16, 2015
	Date of Closing	August 14, 2015
	Issue Proceeds	22,827.00
	Utilisation of Issue Proceeds	
1.	Onward Lending	2,762.00
2.	Repayment of Loans	18,330.00
3.	Issue Related Expense	257.00
4.	General Corporate Purpose	1,478.00
	Total	**22,827.00**

Public Issue VI

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	December 28, 2015
	Date of Closing	January 27, 2016
	Issue Proceeds	24,401.00
	Utilisation of Issue Proceeds	
1.	Onward Lending	14,107.00
2.	Repayment of Loans	10,156.00
3.	Issue Related Expense	111.00
4.	General Corporate Purpose	27.00
	Total	**24,401.00**

Public Issue VII

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	March 18, 2019
	Date of Closing	April 16, 2019
	Issue Proceeds	11,672.00
	Utilisation of Issue Proceeds	
1.	Onward Lending	7,932.00
2.	Repayment of Loans	1,688.00
3.	Issue Related Expense	149.00
4.	General Corporate Purpose	1,903.00
	Total	**11,672.00**

Public Issue VIII

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	August 7, 2019
	Date of Closing	September 5, 2019
	Issue Proceeds	13,203.00
	Utilisation of Issue Proceeds	
1.	Onward Lending	5,814.00
2.	Repayment of Loans	7,212.00
3.	Issue Related Expense	177.00
4.	General Corporate Purpose	-
	Total	**13,203.00**

Public Issue IX

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	January 20, 2020
	Date of Closing	February 12, 2020
	Issue Proceeds	17,593.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	13,502.00
2.	Issue Related Expense	352.00
3.	General Corporate Purpose	3,739.00
	Total	**17,593.00**

Public Issue X

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	June 3, 2020
	Date of Closing	June 26, 2020
	Issue Proceeds	19,791.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	16,426.00
2.	Issue Related Expense	282.00
3.	General Corporate Purpose	3,083.00
	Total	**19,791.00**

Public Issue XI

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	September 9, 2020
	Date of Closing	October 6, 2020
	Issue Proceeds	14,971.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	11,497.00
2.	Issue Related Expense	250.00
3.	General Corporate Purpose	3,224.00
	Total	**14,971.00**

Public Issue XII

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	November 4, 2020
	Date of Closing	November 18, 2020
	Issue Proceeds	14,253.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	13,999.00
2.	Issue Related Expense	254.00
3.	General Corporate Purpose	-
	Total	**14,253.00**

Public Issue XIII

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	January 13, 2021
	Date of Closing	February 9, 2021
	Issue Proceeds	21,644.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	17,613.00
2.	Issue Related Expense	372.00
3.	General Corporate Purpose	3,659.00
	Total	**21,644.00**

Public Issue XIV

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	March 30, 2021
	Date of Closing	April 23, 2021
	Issue Proceeds	13,405.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	9,822.00
2.	Issue Related Expense	309.00
3.	General Corporate Purpose	3,274.00
	Total	**13,405.00**

Public Issue XV

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	August 18, 2021
	Date of Closing	September 9, 2021
	Issue Proceeds	23,358.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	20,572.00
2.	Issue Related Expense	405.00
3.	General Corporate Purpose	2,381.00
	Total	**23,358.00**

Public Issue XVI

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	December 1, 2021
	Date of Closing	December 28, 2021
	Issue Proceeds	17,086.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	16,736.00
2.	Issue Related Expense	350.00
3.	General Corporate Purpose	-
	Total	**17,086.00**

Public Issue XVII

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	April 20, 2022
	Date of Closing	May 17, 2022
	Issue Proceeds	24,327.00
	Utilisation of Issue Proceeds	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	21,369.00
2.	Issue Related Expense	440.00
3.	General Corporate Purpose	2,518.00
	Total	**24,327.00**

Public Issue XVIII

Sl. No.	Particulars	Amount utilised (₹ in lakh)
	Date of Opening	October 30,2024
	Date of Closing	November 13,2024
	Issue Proceeds	11,460.00
	Utilisation of Issue Proceeds:	
1.	Onward Lending, financing and for repayment/prepayment of principal and interest on borrowings of the Company	9,970.00
2.	Issue Related Expense	348.00
3.	General Corporate Purpose	1,142.00
	Total	11,460.00

iii. **Previous private placement of non-convertible debentures by the Company**

The issue proceeds of the previous issues of non-convertible debentures issued on private placement basis made on or after April 1, 2021 till the date of this Draft Prospectus have been utilized by the Company; towards the object of the issue, as per the respective offer documents.

iv. **Rights issue by the Company**

The Company has not undertaken any rights issue of equity shares in the last three years.

B. Subsidiary company- Nil

C. Group Companies-

(a) Mini Muthoottu Nidhi Kerala Limited

i. **Public issue of equity shares by the Mini Muthoottu Nidhi Kerala Limited**

Mini Muthoottu Nidhi Kerala Limited has not undertaken any equity public issue in the last three years.

ii. **Previous public issues of non-convertible debentures by Mini Muthoottu Nidhi Kerala Limited**

Mini Muthoottu Nidhi Kerala Limited has not undertaken the public issue of non-convertible debentures in the last three years.

iii. **Previous private placement of non-convertible debentures by Mini Muthoottu Nidhi Kerala Limited in the last three years**

Mini Muthoottu Nidhi Kerala Limited has not undertaken any private placement of non-convertible debentures in the last three years.

iv. **Rights issue by Mini Muthoottu Nidhi Kerala Limited**

Mini Muthoottu Nidhi Kerala Limited has not undertaken any rights issue of equity shares in the last three years.

(b) Muthoottu Mini Hotels Private Limited

i. **Public issue of equity shares by the Muthoottu Mini Hotels Private Limited**

Muthoottu Mini Hotels Private Limited has not undertaken any equity public issue in the last three years.

ii. **Previous public issues of non-convertible debentures by Muthoottu Mini Hotels Private Limited**

Muthoottu Mini Hotels Private Limited has not undertaken the public issue of non-convertible debentures in the last three years.

iii. **Previous private placement of non-convertible debentures by Muthoottu Mini Hotels Private Limited in the last three years**

Muthoottu Mini Hotels Private Limited has not undertaken any private placement of non-convertible debentures in the last three years.

iv. **Rights issue by Muthoottu Mini Hotels Private Limited**

Muthoottu Mini Hotels Private Limited has not undertaken any rights issue of equity shares in the last three years.

(c) Muthoottu Mini Theatres Private Limited

i. **Public issue of equity shares by the Muthoottu Mini Theatres Private Limited**

Muthoottu Mini Theatres Private Limited has not undertaken any equity public issue in the last three years.

ii. **Previous public issues of non-convertible debentures by Muthoottu Mini Theatres Private Limited**

Muthoottu Mini Theatres Private Limited has not undertaken the public issue of non-convertible debentures in the last three years.

iii. **Previous private placement of non-convertible debentures Muthoottu Mini Theatres Private Limited in the last three years**

Muthoottu Mini Theatres Private Limited has not undertaken any private placement of non-convertible debentures in the last three years.

iv. **Rights issue by Muthoottu Mini Theatres Private Limited**

Muthoottu Mini Theatres Private Limited has not undertaken any rights issue of equity shares in the last three years.

(d) Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited)

i. **Public issue of equity shares by Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited)**

Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited) has not undertaken any equity public issue in the last three years.

ii. **Previous public issues of non-convertible debentures by Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited)**

Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited) has not undertaken the public issue of non-convertible debentures in the last three years.

iii. **Previous private placement of non-convertible debentures by Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited) in the last three years**
Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited) has not undertaken any private placement of non-convertible debentures in the last three years.

iv. **Rights issue by Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited)**

Muthoottu Finance And Service Private Limited (Erst while Kozhencherry MM Financial Services Private Limited) has not undertaken any rights issue of equity shares in the last three years.

(e) Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited)

i. **Public issue of equity shares by the Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited)**

Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited) has not undertaken any equity public issue in the last three years.

ii. **Previous public issues of non-convertible debentures by Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited)**

Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited) has not undertaken the public issue of non-convertible debentures in the last three years.

iii. **Previous private placement of non-convertible debentures by Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited) in the last three years**

Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited) has not undertaken any private placement of non-convertible debentures in the last three years.

iv. **Rights issue by Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited)**

Muthoottu Infotech Private Limited (Erstwhile R M M Properties India Private Limited) has not undertaken any rights issue of equity shares in the last three years.

(f) MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited)

i. **Public issue of equity shares by the MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited)**

MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited) has not undertaken any equity public issue in the last three years.

ii. **Previous public issues of non-convertible debentures by MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited)**

MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited) has not undertaken the public issue of non-convertible debentures in the last three years.

iii. **Previous private placement of non-convertible debentures by MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited) in the last three years**

MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited) has not undertaken any private placement of non-convertible debentures in the last three years.

iv. **Rights issue by MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited)**

MM Nirman and Real Estate Private Limited (Erstwhile Mini Muthoottu Nirman & Real Estate Private Limited) has not undertaken any rights issue of equity shares in the last three years.

C. Loans given by the Company

The Company has not provided any loans/advances to associates, entities/persons relating to Board, senior management or Promoter out of the proceeds of previous private placements of debentures.

D. Type of loans

Classification of loans/advances given

The detailed breakup of the types of loans given by the Company as on March 31, 2024 is as follows:

(₹ in lakh)

Sr. No.	Type of Loans	Amount	Percentage of total AUM
1.	Secured	3,22,864.46	91.65%
2.	Unsecured	29,413.11	8.35%
Total assets under management (AUM)		**3,52,277.57**	**100.00%**

Denomination of loans outstanding by LTV as on March 31, 2024*

Sr. No.	LTV	Percentage of AUM
1.	Up to 40%	0.97%
2.	40%-50%	1.23%
3.	50%-60%	2.97%
4.	60%-70%	9.15%
5.	70%-80%	85.68%
6.	80%-90%	-
7.	More than 90%	-
	Total	**100.00%**

**LTV at the time of origination*

Sectoral Exposure as on March 31, 2024

Sr. No.	Segment wise break up of AUM	Percentage of AUM
1.	**Retail**	
(a)	Mortgages (home loans and loans against property)	0.18%
(b)	Gold Loans	91.47%
(c)	Vehicle Finance	-
(d)	MFI	8.35%
(e)	MSME	-
(f)	Capital market funding (loans against shares, margin funding)	-
(g)	Others:	-
2.	**Wholesale**	
(a)	Infrastructure	-
(b)	Real Estate (including builder loans)	-
(c)	Promoter funding	-
(d)	Any other sector (as applicable)	-
(e)	Others	-
	Total	**100.00%**

E. Denomination of the loans outstanding by ticket size as on March 31, 2024*

Sr. No.	Ticket size**	Percentage of AUM
1.	Up to 2 lakh	81.57%
2.	2 lakh to 5 lakh	15.23%
3.	5 lakh to 10 lakh	2.43%
4.	10 lakh to 25 lakh	0.45%
5.	25 lakh to 50 lakh	0.06%
6.	50 lakh to 1 crore	0.11%
7.	1 crore to 5 crore	-
8.	5 crore to 25 crore	0.16%
9.	25 crore to 100 crore	-
10.	Above 100 core	-
Total		**100.00%**

** Ticket size at the time of origination*
***The details provided are as per borrower and not as per loan account.*

F. Geographical classification of the borrowers as on March 31, 2024

Top 5 borrowers state wise

Sr. No.	Top 5 states*	Percentage of AUM
1.	Tamil Nadu	36.60%
2.	Kerala	15.87%
3.	Telangana	15.02%
4.	Andhra Pradesh	14.86%
5.	Karnataka	13.60%
6.	Others	4.05%
	Total	**100.00%**

G. Details of loans overdue and classified as non-performing in accordance with the RBI's guidelines as on March 31, 2024

(₹ in lakh)

Particulars	Amount
Movement of gross NPA	
Opening gross NPA	1,399.81
- Additions during the year	2,021.21
- Reductions during the year	306.71
Closing balance of gross NPA	3,114.31
Movement of net NPA	
Opening net NPA	1,214.70
- Additions during the year	1,700.72
- Reductions during the year	382.86
Closing balance of net NPA	2,532.56
Movement of provisions for NPA	
Opening balance	185.12
- Provisions made during the year	320.48
- Write-off / write-back of excess provisions	76.15
Closing balance	581.76

H. Segment-wise gross NPA as on March 31, 2024

Sr. No.	Segment wise break up of gross NPA	Gross NPA (%)*
1.	**Retail**	
(a)	Mortgages (home loans and loans against property)	14.29%

Sr. No.	Segment wise break up of gross NPA	Gross NPA (%)*
(b)	Gold Loans	0.74%
(c)	Vehicle Finance	-
(d)	MFI	2.22%
(e)	M & SME	-
(f)	Capital market funding (loans against shares, margin funding)	-
(g)	Others:	-
2.	**Wholesale**	
(a)	Infrastructure	-
(b)	Real Estate (including builder loans)	-
(c)	Promoter funding	-
(d)	Any other sector (as applicable)	-
(e)	Others	-

** Gross NPA means percentage of NPAs to total advances in that sector*

I. Residual Maturity Profile of Assets and Liabilities as on March 31, 2024

(₹ in lakh)

	Up to 30/31 days	More than 1 month to 2 months	More than 2 months to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total
Deposit	-	-	-	-	-	-	-	-	-
Advances	24,324.86	31,304.48	31,931.85	1,10,102.68	1,27,342.83	23,605.27	1,758.99	1,906.61	3,52,277.57
Investments	-	-	-	-	-	-	-	992.14	992.14
Borrowings	13,708.63	10,319.03	7,768.36	26,239.28	1,33,293.22	1,12,513.41	49,200.30	6,734.58	3,59,776.81
Foreign Currency Assets	-	-	-	-	-	-	-	-	-
Foreign Current Liabilities	-	-	-	-	-	-	-	-	-

J. Details of top 20 borrowers with respect to concentration of advances as on March 31, 2024

(₹ in lakh)

Particulars	Amount
Total advances to twenty largest borrowers	1,913.99
Percentage of Advances to twenty largest borrowers to Total Advances to the Company	0.54%

K. Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2024

(₹ in lakh)

Particulars	Amount	
	Secured	Unsecured
Total exposure to twenty largest borrowers	1,913.99	24.11
Percentage of exposure to twenty largest borrowers to Total exposure to the Company	0.54%	0.01%

L. Classification of loans/advances given to Group Companies as on March 31, 2024:

	Name of Borrower	Amount of Advance/ exposure to such borrower (₹ in lakh) (A)	Percentage of Exposure (A/ Total AUM)
1.	Muthoottu Mini Hotels Limited	551.30	0.16%

Revaluation of assets

Our Company has not revalued its assets in the last three financial years.

Mechanism for redressal of investor grievances

Agreement dated May 15, 2024 between the Registrar to the Issue and our Company provides for settling of investor grievances in a timely manner and for retention of records with the Registrar to the Issue for a period of eight years.

All grievances relating to the Issue may be addressed to the Registrar to the Issue and Compliance Officer giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on Application and the details of Member of Syndicate or Trading Member of the Stock Exchange where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Application Locations, giving full details such as name, address of Applicant, Application Form number, option applied for, number of NCDs applied for, amount blocked on Application.

Additionally, the Stock Exchange shall be responsible for addressing investor grievances arising from applications submitted online through the app based/ web interface platform of the Stock Exchange or through its Trading Members. Further, in accordance with the Debt UPI Circular, the Designated Intermediaries shall be responsible for addressing any investor grievances arising from the Applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be three (3) Working Days from the date of receipt of the complaint.

In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Registrar to the Issue

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited
C-101, 1st Floor, 247 Park, L.B.S. Marg
Vikhroli West, Mumbai – 400 083
Maharashtra, India
Telephone: +91 8108114949
Facsimile: +91 22 4918 6195
Email: mmfl.ncd2025@in.mpms.mufg.com
Website: https://in.mpms.mufg.com/
Investor Grievance Email: mmfl.ncd2025@in.mpms.mufg.com
Compliance Officer: B.N Ramakrishnan
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

Compliance Officer of our Company

Smitha K. S. has been appointed as the Compliance Officer of our Company for this Issue. The contact details of Compliance Officer of our Company are as follows:

Smitha K. S.
65/623-K, Muthoottu Royal Towers
Kaloor, Kochi – 682 017
Kerala, India
Telephone: +91 484 291 2178
E-mail: ks.smitha@muthoottumini.com

Details of Auditor to the Issuer:

Name of Auditor	Address	Auditor Since
Mohandas & Associates, Chartered Accountants	III*rd* Floor, Sree Residency, Press Club Road, Thrissur - 680001, Kerala	September 30, 2024

Change in Auditors of our Company during the last three years

Name of the Auditor	Date of Change	Reason of Change
Mohandas & Associates, Chartered Accountants	September 30, 2024	Appointment of Statutory Auditor due to cessation of tenure of the Previous Statutory Auditor.
M/s. Ramdas & Venugopal, Chartered Accountants	January 14, 2022	Appointed at the EGM held on 07-02-2022 to undertake the statutory audit for the FY 2021-22 and to hold office till the conclusion of AGM of the company for the FY 2021-22
	September 30, 2022	Appointed for the second tenure at the AGM held on 30-09-2022 to undertake statutory audit for FY 2022-23 & FY 2023-24 and to hold office till the conclusion of the AGM of the Company for the FY 2023-24
	September 30, 2024	Cessation of tenure
M/s. Manikandan & Associates, Chartered Accountants	September 28, 2020	Appointed for a period of three financial years starting from April 1, 2020 and to hold office till March 31, 2023
	January 14, 2022	Manikandan & Associates didn't fulfil the criteria for statutory auditors prescribed by the RBI *vide* its circular dated April 27, 2021. Hence they submitted their resignation on January 14, 2022.

ALM statement

The following table describes the ALM of our Company as on February 28, 2025:

(₹ in lakh, except percentages)

Sr. No.	A. Outflows	Residual Maturity										
		0 to 7 days	8 to 14 days	Over 14 days to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months up to 6 months	Over 6 Months up to 1 year	Over 1 year up to 3 years	Over 3 years up to 5 years	Over 5 years	Total
1	Capital	-	-	-	-	-	-	-	-	-	25,032.54	**25,032.54**
2	Reserves & surplus	-	-	-	-	-	-	-	-	-	54,413.54	54,413.54
3	Bonds and Notes	-	-	-	-	-	-	-	-	-	-	-
4	Deposits	-	-	-	-	-	-	-	-	-	-	-
5	Borrowings	3,713.96	9,521.47	8,852.11	7,210.97	8,912.04	35,799.51	1,49,741.48	1,26,879.94	26,345.24	2,610.20	**3,79,586.92**
6	Current Liabilities & Provisions	194.08	164.04	-	-	819.97	601.31	5,697.91	11,933.40	3,825.71	55.21	**23,291.63**
7	Statutory Dues	-	-	353.84	-	-	-	-	-	-	-	353.84
8	Unclaimed Deposits	-	-	-	-	-	-	-	-	-	-	-
9	Any Other Unclaimed Amount	277.57	-	-	-	-	-	-	-	-	-	277.57

(₹ in lakh, except percentages)

Sr. No.	A. Outflows	Residual Maturity										
		0 to 7 days	**8 to 14 days**	**Over 14 days to one month**	**Over one month to 2 months**	**Over 2 months to 3 months**	**Over 3 Months up to 6 months**	**Over 6 Months up to 1 year**	**Over 1 year up to 3 years**	**Over 3 years up to 5 years**	**Over 5 years**	**Total**
10	Other Outflows	51.55	51.55	103.09	206.20	206.20	618.60	1,237.20	0.00	0.00	0.00	2,474.39
11	Outflows On Account of Off Balance Sheet (OBS) Exposure	-	-	-	-	-	-	-	-	-	-	-
A.	TOTAL OUTFLOWS	**4,237.16**	**9,737.06**	**9,309.04**	**7,417.17**	**9,938.21**	**37,019.42**	**1,56,676.59**	**1,38,813.34**	**30,170.95**	**82,111.49**	**4,85,430.43**
B.	Cumulative Outflows	**4,237.16**	**13,974.22**	**23,283.26**	**30,700.43**	**40,638.64**	**77,658.06**	**2,34,334.65**	**3,73,147.99**	**4,03,318.94**	**4,85,430.43**	**4,85,430.43**
C.	Inflows											-
1	Cash & Balances with banks	816.84	-	-	-	-	-	-	-	-	-	**816.84**
2	Remittance in Transit	-	-	-	-	-	-	-	-	-	-	-
3	Balances With Banks	8,038.44	-	-	-	-	-	40,231.16	8,618.72	261.14	-	**57,149.46**
4	Investments (net of provisions)	-	-	-	-	-	-	-	-	-	989.56	**989.56**
5	Advances (performing)	1,306.49	11,948.94	17,501.20	17,457.52	34,762.57	47,354.22	2,36,901.80	25,899.93	-	-	**3,93,132.67**
6	Non-Performing Loans (Net of Provisions)	-	-	-	-	1,982.25	-	-	-	-	3,153.88	**5,136.13**
7	Inflows From Assets On Lease	-	-	-	-	-	-	-	-	-	-	-
8	Fixed assets	-	-	-	-	-	-	-	-	-	20,247.51	**20,247.51**
9	Other assets	88.87	88.87	177.74	355.47	355.47	1,066.40	1,411.57	1,974.43	-	2,439.44	**7,958.26**
10	Security Finance Transactions	-	-	-	-	-	-	-	-	-	-	-
11	Inflows on Account of Off Balance Sheet (OBS) Exposure	-	-	-	-	-	-	-	-	-	-	-
C.	TOTAL INFLOWS	**10,250.64**	**12,037.81**	**17,678.94**	**17,812.99**	**37,100.29**	**48,420.62**	**2,78,544.53**	**36,493.08**	**261.14**	**26,830.39**	**4,85,430.43**
D.	MISMATCH (C 0 A)	6,013.48	2,300.75	8,369.90	10,395.82	27,162.08	11,401.20	1,21,867.94	(1,02,320.26)	(29,909.81)	(55,281.10)	-

(₹ in lakh, except percentages)

Sr. No.	A. Outflows	Residual Maturity										
		0 to 7 days	**8 to 14 days**	**Over 14 days to one month**	**Over one month to 2 months**	**Over 2 months to 3 months**	**Over 3 Months up to 6 months**	**Over 6 Months up to 1 year**	**Over 1 year up to 3 years**	**Over 3 years up to 5 years**	**Over 5 years**	**Total**
E.	Mismatch as % to outflows (D as % to A)	141.92	23.63	89.91	140.16	273.31	30.80	77.78	(73.71)	(99.13)	(67.32)	-
F.	CUMULATIVE MISMATCH	6,013.48	8,314.23	16,684.13	27,079.95	54,242.03	65,643.23	1,87,511.17	85,190.91	55,281.10	-	-
G.	Cumulative Mismatch as % to Cumulative Outflows (F as % to B)	**141.92**	**59.50**	**71.66**	**88.21**	**133.47**	**84.53**	**80.02**	**22.83**	**13.71**	**-**	**-**

KEY REGULATIONS AND POLICIES

The regulations summarized below are not exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for any professional legal advice. Taxation statutes such as the IT Act, GST laws (including CGST, SGST and IGST) and applicable local sales tax statutes, labour regulations such as the Employees State Insurance Act, 1948 and the Employees Provident Fund and Miscellaneous Provisions, Act, 1952, and other miscellaneous regulations such as the Trade Marks Act, 1999 and applicable Shops and Establishments statutes apply to us as they do to any other Indian company and therefore have not been detailed below.

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

The major regulations governing our Company are detailed below:

On October 19, 2023 RBI issued Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023, as amended ("**SBR Master Directions**"). A revised regulatory framework for NBFCs whereby NBFCs have been categorised into following four layers based on their size, activity, and perceived riskiness by the RBI:

i) NBFC- Base Layer ("**NBFC-BL**");
ii) NBFC- Middle Layer ("**NBFC-ML**");
iii) NBFC- Upper layer ("**NBFC-UL**"); and
iv) NBFC- Top Layer ("**NBFC-TL**")

The NBFC- BL comprise of (a) non-deposit taking NBFCs below the asset size of ₹1,00,000 lakh and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface.

The NBFC- ML consist of (a) all deposit taking NBFCs ("**NBFC-Ds**"), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹ 1,00,000 lakh and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs), (ii) Infrastructure Debt Fund - Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFCs).

The NBFC-UL comprise of those NBFCs which are specifically identified by RBI as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology as provided in appendix to SBR Framework. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor.

The NBFC-TL will ideally remain empty. This layer can get populated if RBI is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFC-UL. Such NBFCs shall move to the NBFC-TL.

Therefore, NBFCs with asset size of over ₹ 1,00,000 lakh have been considered risky and will fall under middle layer ("**NBFC-ML"**). The SBR Master Directions provide that from October 01, 2022 references to NBFC-ND shall mean NBFC-BL and all references to NBFC-D and NBFC-ND-SI shall mean NBFC-ML or NBFC-UL, as the case may be. SBR Framework clarified that existing NBFC-ND-SIs having asset size of ₹ 500 crore and above but below ₹ 1,000 crore (except those necessarily featuring in NBFC-Middle Layer) will be known as NBFC-BL.

Regulations governing NBFCs

As per the RBI Act, a financial institution has been defined as a company which includes a non-banking institution carrying on as its business or part of its business the financing activities, whether by way of making loans or advances or otherwise, of any activity, other than its own and it is engaged in the activities of loans and advances, acquisition of shares/stock/bonds/debentures/securities issued by the Government of India or other local authorities or other marketable securities of like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of carrying out any agricultural or industrial activities or the sale/purchase/construction of immovable property.

As per prescribed law any company that carries on the business of a non-banking financial institution as its 'principal business' is to be treated as an NBFC. The term 'principal business' has not been defined in any statute; however, RBI has clarified through a press release (*Ref. No. 1998-99/1269*) issued in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide a company's principal business. The company will be treated as an NBFC if its financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets should be more than 50 per cent of the gross income. Both these tests are required to be satisfied in order to determine the principal business of a company.

Every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalisation of the balance sheet and in any case, not later than December 30 of that year, stating that it is engaged in the business of non-banking financial institution requiring it to hold a certificate of registration.

NBFCs are primarily governed by the RBI Act, the SBR Master Direction, Peer to Peer Lending Platform (Reserve Bank) Directions, 2017, Master Direction- Non-Banking Financial Company - Account Aggregator (Reserve Bank) Directions, 2016, and the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by the RBI from time to time.

Although by definition, NBFCs are permitted to operate in similar sphere of activities as banks, there are a few important and key differences. The most important distinctions are:

- An NBFC cannot accept deposits repayable on demand – in other words, NBFCs can only accept fixed term deposits. Thus, NBFCs are not permitted to issue negotiable instruments, such as cheques which are payable on demand; and

- NBFCs are not allowed to deal in foreign exchange, even if they specifically apply to the RBI for approval in this regard, unless they have received an Authorised Dealer Category II licence from the RBI.

As on date of filing of this Draft Prospectus the Company falls under the category of NBFC-ML, as its assets size is above ₹ 1,00,000 lakh, as per the last audited balance sheet. The SBR Master Directions provide NBFC-ML shall comply with regulatory instructions specified in Section III along with regulatory instructions applicable to NBFC-BL as specified in Section II of the SBR Master Directions, unless provided otherwise.

NBFC-ML

NBFC-ML shall maintain a minimum capital ratio consisting of Tier 1 and Tier 2 capital which shall not be less than 15 percent of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items.

Rating of NBFCs

Pursuant to the SBR Master Directions, all applicable NBFCs are required to furnish information about downgrading / upgrading of assigned rating of any financial product issued by them, within fifteen days of such a change in rating, to the regional office of the RBI under whose jurisdiction their registered office is functioning.

Prudential Norms

The SBR Master Directions amongst other requirements prescribe guidelines on NBFCs regarding capital requirement, income recognition, asset classification, provisioning requirements, constitution of audit committee, capital adequacy requirements, concentration of credit/ investment and norms relating to gold loans. Further the concentration of credit/ investment norms shall not apply to non-banking financial company not accessing public funds in India, either directly or indirectly, and not issuing guarantees.

Provisioning Requirements

An NBFC-ML, after taking into account the time lag between an account becoming non-performing, its recognition, the realisation of the security and erosion overtime in the value of the security charged, shall make provisions against sub-standard assets, doubtful assets and loss assets in the manner provided for in the SBR Master Directions.

As per the SBR Master Directions every applicable NBFC-ML shall make provision for standard assets at 0.40 per cent of the

outstanding, which shall not be reckoned for arriving at net NPAs. The provision towards standard assets need not be netted from gross advances but shall be shown separately as 'Contingent Provisions against Standard Assets' in the balance sheet.

Capital Adequacy Norms

Under the terms of SBR Master Directions, NBFCs primarily engaged in lending against gold jewellery (such loans comprising 50 per cent or more of their financial assets) shall maintain a minimum Tier l capital of 12 percent.

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

Owned Funds, are defined as paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Asset Classification

The prudential regulations require that every applicable NBFC-BL shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

- Standard assets;
- Sub-standard Assets;
- Doubtful Assets; and
- Loss assets

Further, such class of assets would not be entitled to be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for such upgradation. At present all applicable NBFC-ML under SBR Master Directions are required to make a general provision for standard assets at 0.40 percent.

Other stipulations on policies

NBFCs-BL are required to frame board approved policies *inter alia* including, (i) a policy for demand and call loan; (ii) liquidity risk management policy; (iii) code of conduct for direct sales agents /direct marketing agents/recovery agents; (iv) fair practice code policy; (v) customer grievance redressal policy; (vi) information technology policy/information system policy; (viii) interest rate model policy; (ix) outsourcing policy; (x) private placement of NCDs policy; (xi) know you customer/ anti-money laundering policy.

The prudential norms also specifically prohibit NBFCs from lending against its own shares.

Net Owned Fund

Section 45-IA of the RBI Act provided that to carry on the business of a NBFC, an entity would have to register as an NBFC with the RBI and would be required to have a minimum net owned fund of ₹200 lakh. However, the net owned fund requirement has been incrementally revised by SBR Framework. SBR Framework stipulates that minimum net owned fund requirement of ₹ 500 lakh by March 31, 2025 and ₹ 1,000 lakh by March 31, 2027 by the NBFCs with customer interface or public funds. For this purpose, the SBR Master Directions have defined "net owned fund" to mean:

Net Owned Fund - means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any;

Reserve Fund

In addition to the above, Section 45-IC of the RBI Act requires NBFCs (unless specifically exempted by RBI) to create a reserve fund and transfer therein a sum of not less than 20% of its net profits earned annually before declaration of dividend. Such a fund is to be created by every NBFC irrespective of whether it is a ND NBFC or not. Such sum cannot be appropriated

by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation is required to be reported to the RBI within 21 days from the date of such appropriation.

Maintenance of liquid assets

The RBI through notification dated January 31, 1998, as amended has prescribed that every NBFC (unless specifically exempted by RBI) shall invest and continue to invest in unencumbered approved securities valued at a price not exceeding the current market price of such securities an amount which shall, at the close of business on any day be not less than 10% in approved securities and the remaining in unencumbered term deposits in any scheduled commercial bank; the aggregate of which shall not be less than 15% of the public deposit outstanding at the last working day of the second preceding quarter.

NBFCs such as our Company, which do not accept public deposits, are subject to lesser degree of regulation as compared to a NBFC-ML and NBFC-UL and are governed by the SBR Master Directions.

An NBFC-BL is required to inform the RBI of any change in the address, telephone no's, etc. of its registered office, names and addresses of its directors/auditors, names and designations of its principal officers, the specimen signatures of its authorised signatories, within one month from the occurrence of such an event. Further, an NBFC-BL would need to ensure that its registration with the RBI remains current.

Under the terms of SBR Master Directions, NBFCs having an asset base of ₹ 10,000 lakh or more as per their last audited balance sheet are required to comply with the RBI Guidelines on liquidity Risk Management Framework ("**LRM Framework**").

Similarly, all NBFCs having customer interface are required to comply with "Know Your Customer Guidelines - Anti Money Laundering Standards" issued by the RBI, with suitable modifications depending upon the activity undertaken by the NBFC concerned.

NBFCs shall constitute grievance redressal machinery as contained in RBI's circular on Grievance Redressal Mechanism, vide DNBS. CC. PD. No. 320/03.10. 01/2012-13 dated February 18, 2013 which states that at the operational level, all NBFCs shall display the name and contact details of the grievance redressal officer prominently at their branches/ places where business is transacted. The designated officer shall ensure that genuine grievances of customers are redressed promptly without involving any delay. It shall be clearly indicated that NBFCs' grievance redressal machinery shall also deal with the issue relating to services provided by the outsourced agency. Generally, a time limit of 30 (thirty) days may be given to the customers for preferring their complaints/ grievances. The grievance redressal procedure of the NBFC and the time frame fixed for responding to the complaints shall be placed on the NBFC's website.

Lending against security of gold

The RBI pursuant to the SBR Master Directions, as amended from time to time has prescribed that all NBFCs shall maintain a loan to value ratio not exceeding 75% for loans granted against the collateral of gold jewellery. The Value of gold jewellery, for the purpose of determining maximum permissible limit shall be the intrinsic value of the gold content therein and no other cost elements shall be added thereto.

The directions provide for the following requirements to lend against gold:

i. Verification of the Ownership of Gold

   (a) Where the gold jewellery pledged by a borrower at any one time or cumulatively on loan outstanding is more than 20 grams, NBFCs shall keep a record of the verification of the ownership of the jewellery. The ownership verification need not necessarily be through original receipts for the jewellery pledged but a suitable document shall be prepared to explain how the ownership of the jewellery has been determined, particularly in each and every case where the gold jewellery pledged by a borrower at any one time or cumulatively on loan outstanding is more than 20 grams.

   (b) NBFCs shall have an explicit policy in this regard as approved by the Board in their overall loan policy.

ii. Safety and Security measures to be followed

   (a) Non-Banking Financial Companies, which are in the business of lending against collateral of gold jewellery,

shall ensure that necessary infrastructure and facilities are put in place, including safe deposit vault and appropriate security measures for operating the vault, in each of its branches where gold jewellery is accepted as collateral. This is required to safeguard the gold jewellery accepted as collateral and to ensure convenience of borrowers.

(b) No new branch/es shall be opened without suitable arrangements for security and for storage of gold jewellery, including safe deposit vault

iii. Opening Branches exceeding one thousand in number

Non-Banking Financial Company which are in the business of lending against collateral of gold jewellery, shall obtain prior approval of RBI to open branches exceeding 1000. However, NBFCs which already have more than 1,000 branches shall approach RBI for prior approval for any further branch expansion. Besides, no new branches shall be allowed to be opened without the facilities for storage of gold jewellery and minimum-security facilities for the pledged gold jewellery.
Further, NBFC's are also required to not grant any advance against bullion / primary gold, gold bullion, gold jewellery, gold coins, units of Exchange Traded Funds (ETF) and units of gold mutual fund. NBFCs primarily engaged in lending against gold jewellery (such loans comprising 50% or more of their financial assets) are required to maintain a minimum Tier I capital of 12.00%.

*Reserve Bank of India (Know Your Customer (KYC)) Master Directions, 2016 dated February 25, 2016, as amended ("**RBI KYC Directions**")*

The RBI KYC Directions are applicable to every entity regulated by the RBI, specifically, scheduled commercial banks, regional rural banks, local area banks, primary (urban) co-operative banks, state and central co-operative banks, all India financial institutions, NBFCs, miscellaneous non-banking companies and residuary non-banking companies, amongst others. In terms of the RBI KYC Directions, every entity regulated thereunder is required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated in terms of the RBI KYC Directions is required to include four key elements, being customer acceptance policy, risk management, customer identification procedures and monitoring of transactions. It is advised that all NBFC'S adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place. The RBI KYC Directions provide for a simplified procedure for opening accounts by NBFCs. It also provides for an enhanced and simplified due diligence procedure. It has prescribed detailed instructions in relation to, inter alia, the due diligence of customers, record management, and reporting requirements to Financial Intelligence Unit – India.

The RBI KYC Directions have also issued instructions on sharing of information while ensuring secrecy and confidentiality of information held by Banks and NBFCs. The regulated entities must also adhere to the reporting requirements under Foreign Account Tax Compliance Act and Common Reporting Standards. The RBI KYC Directions also require the regulated entities to ensure compliance with the requirements/obligations under international agreements. The regulated entities must also pay adequate attention to any money-laundering and financing of terrorism threats that may arise from new or developing technologies and ensure that appropriate KYC procedures issued from time to time are duly applied before introducing new products/services/technologies. The RBI KYC Directions were updated on April 20, 2018 to enhance the disclosure requirements under the Prevention of Money-Laundering Act, 2002 and in accordance with the Prevention of Money-Laundering Rules vide Gazette Notification GSR 538 (E) dated June 1, 2017 and the final judgment of the Supreme Court in the case of Justice K.S. Puttaswamy (Retd.) & Another v. Union of India (Writ Petition (Civil) 494/2012). The Directions were updated to accommodate authentication as per the AADHAR (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and use of an Indian resident's Aadhar number as a document for the purposes of fulfilling KYC requirement. The RBI KYC Directions were further updated on January 9, 2020 with a view to leveraging the digital channels for customer identification process by regulated entities, whereby the RBI has decided to permit video based customer identification process as a consent based alternate method of establishing the customer's identity, for customer onboarding.

Accounting Standards & Accounting policies

NBFCs that are required to implement Indian Accounting Standards ("**Ind AS**") as per the Companies (Indian Accounting Standards) Rules, 2015 ("**Accounting Standard Rules**") shall prepare their financial statements in accordance with Ind AS notified by the Government of India and shall comply with the regulatory guidance specified in the SBR Master Directions. Disclosure requirements for notes to accounts specified in the SBR Master Directions shall continue to apply. Other NBFCs shall comply with the requirements of notified Accounting Standards (AS) insofar as they are not inconsistent with SBR

Master Directions. The Ministry of Corporate Affairs ("**MCA**"), in its press release dated January 18, 2016, issued a roadmap for implementation of Ind AS converged with IFRS for non-banking financial companies, scheduled commercial banks, insurers, and insurance companies, which was subsequently confirmed by the RBI through its circular dated February 11, 2016. The Accounting Standard Rules were subsequently amended by MCA press release dated March 30, 2016. The Accounting Standard Rules stipulates that NBFCs whose equity and/or debt securities are listed or in the process of listing on any stock exchange in India or outside India and having a net worth of less than ₹50,000 lakh, shall comply with Ind AS for accounting periods beginning from April 1, 2019 onwards with comparatives for the periods ending on March 31, 2019 or thereafter.

Implementation of Indian Accounting Standards: RBI Notification

The Reserve bank of India vide notification number RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019-20 dated March 13, 2020 framed regulatory guidance on Ind AS which will be applicable on Ind AS implementing NBFCs and Asset Reconstruction Companies (ARCs) for preparation of their financial statements from financial year 2019-20 onwards. The said circular is applicable on NBFCs covered by Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015. These guidelines focus on the need to ensure consistency in the application of the accounting standards in specific areas, including asset classification and provisioning, and provide clarifications on regulatory capital in the light of Ind AS implementation. NBFCs whose equity or debt securities are listed or in the process of listing on any stock exchange in India or outside India and having net worth less than rupees five hundred crore shall comply with the Indian Accounting Standards (Ind AS) for accounting periods beginning on or after the 1st April, 2019, with comparatives for the periods ending on 31stMarch, 2019, or thereafter.

Master Circular dated July 1, 2015 on returns to be submitted by NBFCs

The circular lists down detailed instructions in relation to submission of returns, including their periodicity, reporting time, due date, purpose and the requirement of filing such returns by various categories of NBFCs, including an NBFC-ML. RBI, vide notification dated November 26, 2015 titled "Online Returns to be submitted by NBFCs-Revised" changed the periodicity of NDSI returns from monthly to quarterly.

Implementation of Green Initiative of the Government

All NBFCs are required take proactive steps for increasing the use of electronic payment systems, elimination of post-dated cheques and gradual phase-out of cheques in their day to day business transactions which would result in more cost-effective transactions and faster and accurate settlements.

Reporting by Statutory Auditor

The statutory auditor of the NBFC-ML is required to submit to the Board of Directors of the Company along with the statutory audit report, a special report certifying that the Directors have passed the requisite resolution mentioned above, not accepted any public deposits during the year and has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it. In the event of non-compliance, the statutory auditors are required to directly report the same to the RBI.

Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC-BL, the auditor shall make a separate report to the Board of Directors of the company on *inter alia* examination of validity of certificate of registration obtained from the RBI, whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on 31st March of the applicable year, whether the NBFC is meeting the required net owned fund requirement, whether the board of directors has passed a resolution for non-acceptance of public deposits, whether the company has accepted any public deposits during the applicable year, whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it, whether the capital adequacy ratio as disclosed in the return submitted to the Bank in form NBS- 7, has been correctly arrived at and whether such ratio is in compliance with the minimum CRAR prescribed by the Bank, whether the company has furnished to the Bank the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) within the stipulated period, and whether the non-banking financial company has been correctly classified as NBFC Micro Finance Institutions (MFI).

Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016

All NBFCs are required to put in place a reporting system for filing various returns with the RBI. An NBFC-BL is required to file on a quarterly basis a return on important financial parameters, including components of assets and liabilities, profit and loss account, exposure to sensitive sectors etc., NBS-7 on prudential norms on a quarterly basis, multiple returns on asset-liability management to address concerns regarding inter alia asset liability mismatches and interest rate risk, quarterly report on branch information, and Central Repository of Information on Large Credits ("CRILC") on a quarterly basis as well as all Special Mention Accounts-2 ("SMA-2") status on a weekly basis to facilitate early recognition of financial distress, prompt steps for resolution and fair recovery for lenders.

Master Direction on Information Technology Framework for the NBFC Sector, 2017

All NBFCs-ML shall ensure that IT governance is an integral part of corporate governance. It involves leadership support, organizational structure and processes to ensure that the NBFC's IT sustains and extends business strategies and objectives. Effective IT Governance is the responsibility of the board of directors and executive management. This is to be achieved by well-defined roles and responsibilities of the board and senior management, while implementing IT governance. IT governance stakeholders include: the board of directors, IT strategy committees, CEOs, business executives, chief information officers (CIOs), chief technology officers (CTOs), IT steering committees (operating at an executive level and focusing on priority setting, resource allocation and project tracking), chief risk officer and risk committees.

Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017

With a view to put in place necessary safeguards applicable to outsourcing of activities by NBFCs, the RBI has issued directions on managing risks and code of conduct in outsourcing of financial services by NBFCs ("Risk Management Directions"). The Risk Management Directions specify that core management functions like internal auditing, compliance functions, decision making functions such as compliance with KYC norms shall not be outsourced by NBFCs. Further, the Risk Management Directions specify that outsourcing of functions shall not limit its obligations to its customers.

Financing of NBFCs by bank

The RBI has issued guidelines vide a circular dated bearing number DBR.BP.BC.No.5/21.04.172/2015-16 dated July 1, 2015 relating to bank financing of NBFCs predominantly engaged in lending against Gold has directed banks to (i) reduce their regulatory exposure ceiling on a single NBFC, having gold loans to the extent of 50% or more of its total financial assets 10% of banks' capital funds. However, the exposure ceiling may go up by 5%, i.e., up to 15% of banks' capital funds if the additional exposure is on account of funds on-lent by NBFCs to the infrastructure sector and (ii) to have an internal sub-limit on their aggregate exposures to all such NBFCs, having gold loans to the extent of 50% or more of their total financial assets, taken together. The sub-limits should be within the internal limit fixed by the banks for their aggregate exposure to all NBFCs put together.

Norms for excessive interest rates

In addition, the RBI has introduced vide a circular bearing reference number RBI/ 2006-07/ 414 dated May 24, 2007 whereby RBI has requested all NBFCs to put in place appropriate internal principles and procedures in determining interest rates and processing and other charges. In addition to the aforesaid instruction, the RBI has issued a Master Circular on Fair Practices Code dated July 1, 2015 for regulating the rates of interest charged by the NBFCs. These circulars stipulate that the board of each NBFC is required to adopt an interest rate model taking into account the various relevant factors including cost of funds, margin and risk premium. The rate of interest and the approach for gradation of risk and the rationale for charging different rates of interest for different categories of borrowers are required to be disclosed to the borrowers in the application form and expressly communicated in the sanction letter. Further, this is also required to be made available on the NBFCs website or published in newspapers and is required to be updated in the event of any change therein. Further, the rate of interest would have to be an annualised rate so that the borrower is aware of the exact rates that would be charged to the account.

Supervisory Framework

In order to ensure adherence to the regulatory framework by NBFCs-BL, the RBI has directed such NBFCs to put in place a system for submission of an annual statement of capital funds, and risk asset ratio etc. as at the end of March every year, in a prescribed format. This return is to be submitted electronically within a period of three months from the close of every financial year. Further, a NBFC is required to submit a certificate from its statutory auditor that it is engaged in the business of non-banking financial institution with requirement to hold a certificate of registration under the RBI Act. This certificate is required to be submitted within one month of the date of finalisation of the balance sheet and in any other case not later than December 30 of that particular year. Further, in addition to the auditor's report under Section 143 of the Companies Act,

2013 the auditors are also required to make a separate report to the Board of Directors on certain matters, including correctness of the capital adequacy ratio as disclosed in the return NBS-7 to be filed with the RBI and its compliance with the minimum CRAR, as may be prescribed by the RBI. Where the statement regarding any of the items referred relating to the above, is unfavourable or qualified, or in the opinion of the auditor the company has not complied with the regulations issued by RBI, it shall be the obligation of the auditor to make a report containing the details of such unfavourable or qualified statements and/or about the non-compliance, as the case may be, in respect of the company to the concerned Regional Office of the Department of Non-Banking Supervision of the Bank under whose jurisdiction the registered office of the company is located.

Ombudsman scheme for customers of NBFCs

The RBI in public interest and to make the alternate dispute redress mechanism simpler and more responsive integrated the three Ombudsman schemes – (i) the Banking Ombudsman Scheme, 2006, as amended up to July 01, 2017; (ii) the Ombudsman Scheme for Non-Banking Financial Companies, 2018; and (iii) the Ombudsman Scheme for Digital Transactions, 2019 into the Reserve Bank - Integrated Ombudsman Scheme, 2021 (the "**Scheme**"). Every NBFC shall appoint Principal Nodal Officer in accordance with directions provided under the said Scheme. Further, NBFCs fulfilling the criteria laid down under the circular on 'Appointment of Internal Ombudsman by Non-Banking Financial Companies' dated November 15, 2021 shall appoint the Internal Ombudsman and adhere to the corresponding guidelines.
Any customer aggrieved by an act or omission of a Regulated Entity resulting in deficiency in service may file a complaint under the Scheme personally or through an authorised representative as defined under the Scheme.

Asset Liability Management

The RBI has prescribed the Guidelines for asset liability management ("ALM") system in relation to NBFCs through LRM Framework ("**LRM Framework**"). The LRM Framework provide that the applicable NBFCs should ensure sound and robust liquidity risk management system, the board of directors of the NBFC shall frame a liquidity risk management framework which ensures that it maintains sufficient liquidity, including a cushion of unencumbered, high quality liquid assets to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The liquidity risk management policy should spell out the entity-level liquidity risk tolerance; funding strategies; prudential limits; system for measuring, assessing and reporting/ reviewing liquidity; framework for stress testing; liquidity planning under alternative scenarios/formal contingent funding plan; nature and frequency of management reporting; periodical review of assumptions used in liquidity projection; etc.

The NBFC shall appoint risk management committee ("**RMC**") consisting of chief executive officer ("**CEO**")/ managing director ("**MD**") and heads of various risk verticals, who shall be responsible for evaluating the overall risks faced by the NBFC including liquidity risk. Further, applicable NBFCs have to constitute asset liability management committee ("**ALCO**") consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the board of directors as well as implementing the liquidity risk management strategy of the NBFC. The CEO/ MD or the Executive Director (ED) should head the Committee. The role of the ALCO with respect to liquidity risk should include, *inter alia*, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of all branches. In addition to RMC and ALCO, applicable NBFCs shall constitute asset liability management support group ("**ALM Support Group**"). ALM Support Group consist of the operating staff responsible for analysing, monitoring and reporting the liquidity risk profile to the ALCO. The maturity profile should be used for measuring the future cash flows of NBFCs in different time buckets. Within each time bucket, there could be mismatches depending on cash inflows and outflows. While the mismatches up to one year would be relevant since these provide early warning signals of impending liquidity problems, the main focus shall be on the short-term mismatches, viz., 1-30/ 31 days. The net cumulative negative mismatches in the statement of structural liquidity in the maturity buckets 1-7 days, 8-14 days, and 15-30 days shall not exceed 10 percent, 10 percent and 20 per cent of the cumulative cash outflows in the respective time buckets. NBFCs, however, are expected to monitor their cumulative mismatches (running total) across all other time buckets up to 1 year by establishing internal prudential limits with the approval of the board of directors. NBFCs shall also adopt the above cumulative mismatch limits for their structural liquidity statement for consolidated operations. Other than liquidity risk the applicable NBFC has to currency risk and interest rate risk under the terms of LRM Framework.

Foreign Investment Regulations

Foreign investment in Indian securities is regulated through the Consolidated Foreign Direct Investment ("FDI") Policy and Foreign Exchange Management Act, 1999 ("FEMA"). The government bodies responsible for granting foreign investment approvals are the concerned ministries/ departments of the Government of India and the RBI. The Union Cabinet has

approved phasing out the Foreign Investment Promotion Board, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the office memorandum dated June 5, 2017, issued by the Department of Economic Affairs, Ministry of Finance, approval of foreign investment under the FDI policy has been entrusted to concerned ministries/departments. Subsequently, the DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "SOP"). The SOP provides a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the "Competent Authority") for the grant of post facto approval of foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP shall identify the Competent Authority. The DIPP has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendment to FEMA. In case of any conflict FEMA prevails.

The Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified by RBI on October 17, 2019, regulate investment in India by a person resident outside India in listed NCDs.

The Consolidated FDI Policy consolidates the policy framework in place as on August 27, 2017. Further, on January 4, 2018 the RBI released the Master Direction on Foreign Investment in India. Under the approval route, prior approval from the relevant ministry and competent authorities, as per the procedure established under the Standard Operating Procedure for Processing FDI Proposals ("SOP") dated June 29, 2017 or RBI is required. FDI for the items/activities that cannot be brought in under the automatic route may be brought in through the approval route. Approvals are accorded on the recommendation of the FIPB, which is chaired by the Secretary, DIPP, with the Union Finance Secretary, Commerce Secretary and other key Secretaries of the Government of India as its members.

As per the sector specific guidelines of the Government of India, 100 per cent FDI/ Non-Resident Indian ("NRI") investments are allowed under the automatic route in certain NBFC activities subject to compliance with guidelines of the RBI in this regard.

The Recovery of Debts due to Banks and Financial Institutions Act, 1993

The Recovery of Debts due to Banks and Financial Institutions Act, 1993 (the "DRT Act") provides for establishment of the Debts Recovery Tribunals (the "DRTs") for expeditious adjudication and recovery of debts due to banks and public financial institutions or to a consortium of banks and public financial institutions. Under the DRT Act, the procedures for recovery of debt have been simplified and time frames have been fixed for speedy disposal of cases. The DRT Act lays down the rules for establishment of DRTs, procedure for making application to the DRTs, powers of the DRTs and modes of recovery of debts determined by DRTs. These include attachment and sale of movable and immovable property of the defendant, arrest of the defendant and his detention in prison and appointment of receiver for management of the movable or immovable properties of the defendant.

The DRT Act also provides that a bank or public financial institution having a claim to recover its debt, may join an ongoing proceeding filed by some other bank or public financial institution, against its debtor, at any stage of the proceedings before the final order is passed, by making an application to the DRT.

Anti-Money Laundering

The RBI has issued a Master Circular dated July 1, 2015 to ensure that a proper policy framework for the Prevention of Money Laundering Act, 2002 ("PMLA") is put into place. The PMLA seeks to prevent money laundering and provides for confiscation of property derived from or involved in money laundering and for other matters connected therewith or incidental thereto. It extends to all banking companies, financial institutions, including NBFCs and intermediaries. Pursuant to the provisions of PMLA and the RBI guidelines, all NBFCs are advised to appoint a principal officer for internal reporting of suspicious transactions and cash transactions and to maintain a system of proper record (i) for all cash transactions of value of more than ₹ 10 lakh; (ii) all series of cash transactions integrally connected to each other which have been valued below ₹ 10 lakh where such series of transactions have taken place within one month and the aggregate value of such transaction exceeds ₹ 10 lakh. Further, all NBFCs are required to take appropriate steps to evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities. Further, NBFCs are also required to maintain for at least ten years from the date of transaction between the NBFCs and the client, all necessary records of transactions, both domestic or international, which will permit reconstruction of individual transactions (including the amounts and types of currency involved if any) so as to provide, if necessary, evidence for prosecution of persons involved in criminal activity.

Additionally, NBFCs should ensure that records pertaining to the identification of their customers and their address are obtained while opening the account and during the course of business relationship, and that the same are properly preserved for at least ten years after the business relationship is ended. The identification records and transaction data is to be made available to the competent authorities upon request.

RBI Notification dated December 3, 2015, titled "Anti-Money Laundering (AML)/ Combating of Financing of Terrorism (CFT) – Standards" states that all regulated entities (including NBFCs) are to comply with the updated FATF Public Statement and document 'Improving Global AML/CFT Compliance: on-going process' as on October 23, 2015.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act")

The SARFAESI Act regulates the securitization and reconstruction of financial assets of banks and financial institutions. The RBI has issued guidelines to banks and financial institutions on the process to be followed for sales of financial assets to asset reconstruction companies. These guidelines provide that a bank or a financial institution or an NBFC may sell financial assets to an asset reconstruction company provided the asset is a Non - Performing Asset ("NPA"). Securitisation Companies and Reconstruction Companies ("SCs/RCs") are required to obtain, for the purpose of enforcement of security interest, the consent of secured creditors holding not less than 60 per cent of the amount outstanding to a borrower as against 75 per cent. While taking recourse to the sale of secured assets in terms of Section 13(4) of the SARFAESI Act, a SC/RC may itself acquire the secured assets, either for its own use or for resale, only if the sale is conducted through a public auction.

As per the SARFAESI Amendment Act of 2004, the constitutional validity of which was upheld in a recent Supreme Court ruling, non-performing assets have been defined as an asset or account of a borrower, which has been classified by a bank or financial institution as sub-standard, doubtful or loss asset in accordance with directions or guidelines issued by the RBI. In case the bank or financial institution is regulated by a statutory body/authority, NPAs must be classified by such bank in accordance with guidelines issued by such regulatory authority. The RBI has issued guidelines on classification of assets as NPAs. Further, these assets are to be sold on a "without recourse" basis only.

The SARFAESI Act provides for the acquisition of financial assets by Securitization Company or Reconstruction Company from any bank or financial institution on such terms and conditions as may be agreed upon between them. A securitization company or reconstruction company having regard to the guidelines framed by the RBI may, for the purposes of asset reconstruction, provide for measures such as the proper management of the business of the borrower by change in or takeover of the management of the business of the borrower, the sale or lease of a part or whole of the business of the borrower and certain other measures such as rescheduling of payment of debts payable by the borrower; enforcement of security.

Additionally, under the provisions of the SARFAESI Act, any securitisation company or reconstruction company may act as an agent for any bank or financial institution for the purpose of recovering its dues from the borrower on payment of such fee or charges as may be mutually agreed between the parties.

Various provisions of the SARFAESI Act have been amended by the Enforcement of Security Interest and Recovery of Debt Laws and Miscellaneous Provisions (Amendment) Act, 2016 as also the Insolvency and Bankruptcy Code, 2016 (which amended S.13 of SARFAESI). As per this amendment, the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016 shall by order declare moratorium for prohibiting inter alia any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the SARFAESI Act.

Further, in accordance with Ministry of Finance notification no. S.O. 856(E) dated February 24, 2020, the eligibility limit for enforcement of security interest with respect to secured debt recovery by NBFCs (having assets worth ₹ 10,000 lakh and above) has been reduced from ₹ 100 lakh to ₹ 50 lakh.

Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 (Bankruptcy Code) was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

RBI vide its circular dated June 7, 2019, laid down the Prudential Framework for Resolution of Stressed Assets whereby

prescribing the regulatory approach for resolution of stressed assets *inter alia* by: (i) early recognition and reporting of default by banks, financial institutions and NBFCs in respect of large borrowers; (ii) Affording complete discretion to lenders with regard to design and implementation of resolution plans, in supersession of earlier resolution schemes (S4A, SDR, 5/25 etc.), subject to the specified timeline and independent credit evaluation; (iii) Laying down a system of disincentives in the form of additional provisioning for delay in implementation of resolution plan or initiation of insolvency proceedings; (iv) Withdrawal of asset classification dispensations on restructuring. Future upgrades to be contingent on a meaningful demonstration of satisfactory performance for a reasonable period; and (v) Requiring the mandatory signing of an inter-creditor agreement (ICA) by all lenders, which will provide for a majority decision making criteria. MCA vide notification dated November 15, 2019, issued the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ("FSP Rules") *inter alia* governing the corporate insolvency resolution process and liquidation process of Financial Service Providers (FSPs) under the Bankruptcy Code. The issuance of the FSP Rules has made viable and unified resolution process accessible for the FSPs and their creditors with some procedural differences.

Companies Act, 2013

The Companies Act, 2013 ("Companies Act") has been notified by the Government of India on August 30, 2013 (the "Notification"). Under the Notification, Section 1 of the Companies Act has come into effect and the remaining provisions of the Companies Act have and shall come into force on such dates as the Central Government has notified and shall notify. Section 1 of the Companies Act deals with the commencement and application of the Companies Act and among others sets out the types of companies to which the Companies Act applies. Further the Ministry of Corporate Affairs has by their notifications dated September 12, 2013 and March 26, 2014 notified certain sections of the Companies Act, which have come into force from September 12, 2013 and April 1, 2014.

The Companies Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act is complemented by a set of rules that set out the procedure for compliance with the substantive provisions of the Companies Act. As mentioned above, certain provisions of the Companies Act, 2013 have already come into force and the rest shall follow in due course.

Under the Companies Act every company having net worth of ₹50,000 lakh or more, or turnover of ₹1,00,000 lakh or more or a net profit of ₹ 500 lakh or more during the immediately preceding financial year shall formulate a corporate social responsibility policy. Further, the board of every such company shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its corporate social responsibility policy.

Shops and Establishments legislations in various states

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter-alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health, termination of services and safety measures and wages for overtime work.

Labour Laws

India has stringent labour related legislations. The Company is required to comply with certain labour laws, which include the Employees' Provident Funds and Miscellaneous Provisions Act 1952, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, Workmen Compensation Act, 1923, the Payment of Gratuity Act, 1972 and the Payment of Wages Act, 1936, amongst others.

Intellectual Property

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trademarks Act, 1999. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

At the meeting of the Board of Directors of our Company held on February 27, 2025, the Board approved the public issue of Secured, Redeemable, Non-Convertible Debenture for an amount aggregating up to ₹10,000 lakh, with an option to retain oversubscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000 lakh.

The following are the key terms of the NCDs. This section should be read in conjunction with and is qualified in its entirety by more detailed information in "*Terms of the Issue*" beginning on page 242.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the RBI Act, the terms of this Draft Prospectus, the Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the NCDs / term sheet are as follows:

Principal Terms and Conditions of the Issue

TERMS AND CONDITIONS IN CONNECTION WITH THE NCDs

Issuer	Muthoottu Mini Financiers Limited
Security Name (Name of the non-convertible securities which includes (Coupon/ dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.)	MMFLNCDXIX For Coupon and Maturity Year, please refer to '*Issue Structure - Specific Terms of NCDs*' on page 240.
Type of instrument (Secured or Unsecured)	Secured, Redeemable, Non-Convertible Debentures
Nature of the Instrument	Secured, Redeemable, Non-Convertible Debentures
Mode of the Issue	Public Issue
Mode of Allotment	In dematerialised form
Mode of Trading	NCDs will be traded in dematerialised form
Minimum Subscription	Minimum subscription is 75% of the Base Issue, i.e., ₹ 7,500 lakh
Option to retain oversubscription (Amount)	Option to retain over-subscription up to ₹ 10,000 lakh
Lead Manager	Vivro Financial Services Private Limited
Registrar to the Issue	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)
Debenture Trustee	Mitcon Credentia Trusteeship Services Limited
Issue Size	Public issue of Secured, Redeemable, Non-convertible Debentures of our Company of face value of ₹1,000 each amounting up to ₹ 10,000 lakh, with an option to retain over-subscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000lakh, on the terms and in the manner set forth herein
Base Issue	₹ 10,000 lakh
Option to retain over subscription	₹10,000 lakh
Seniority (Senior or Subordinated)	Senior
Stock Exchange proposed for listing of the NCDs	BSE Limited
Listing and timeline for Listing	The NCDs shall be listed within 6 Working Days of Issue Closure
Description regarding security (where applicable) including type of security	The principal amount of the NCDs to be issued in terms of the Draft Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of

(movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/likely date of creation of security, minimum security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this Draft Prospectus	first ranking *pari passu* charge with the Existing Secured Creditors on all current assets, including book debts and receivables, cash and bank balances, loans and advances both present and future of our Company (not including reserves created in accordance with law, receivables of micro finance of the Company, fixed deposits and cash collateral over which exclusive charge is created), such that a security cover to the extent of 1 (one) time of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the redemption of NCDs. The securities so created pursuant to the security documents shall be registered with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI), Depository or any other institution, as applicable, within 30 days of creation of charge. The date of creation of the security for the NCDs shall be on or before making final listing application. Replacement of security – Our Company shall within such period as may be permitted by the Debenture Trustee, furnish to the Debenture Trustee as additional security, if the Debenture Trustee is of the opinion that during the subsistence of these presents, the security for the NCDs has become inadequate on account of the margin requirement as provided in the financial covenants and conditions and the Debenture Trustee has, accordingly, called upon our Company to furnish such additional security. In such case, our Company shall, at its own costs and expenses, furnish to the Debenture Trustee such additional security, in form and manner satisfactory to the Debenture Trustee, as security for the NCDs and upon creation of such additional security, the same shall vest in the Debenture Trustee subject to all the trusts, provisions and covenants contained in these presents. For further details, please refer to the agreed form of the Debenture Trust Deed. Minimum security cover: Please refer to "- Security Cover" below. Interest of the debenture holder over and above the coupon rate as specified in the agreed form of the Debenture Trust Deed and disclosed in the Draft Prospectus.
Security Cover	Our Company shall maintain a minimum 100% security cover or higher on the outstanding balance of the NCDs plus accrued interest thereon.
Eligible Investor (Who can apply)*	**Category I** • Resident public financial institutions as defined in Section 2(72) of the Companies Act 2013, statutory corporations including state industrial development corporations, scheduled commercial banks, co-operative banks and regional rural banks, and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds of minimum corpus of ₹2,500 lakh, pension funds of minimum corpus of ₹2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative investment funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident venture capital funds registered with SEBI; • Insurance Companies registered with the IRDAI; • National Investment Fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India); • Insurance funds set up and managed by the Indian army, navy or the air force of the Union of India or by the Department of Posts, India; • Mutual Funds registered with SEBI; and • Systemically Important NBFC registered with RBI and having a net-worth of more than ₹50,000 lakh as per the last audited financial statements **Category II**

<table>
<tr><td></td><td>

- Companies falling within the meaning of Section 2(20) of the Companies Act 2013; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment; which are authorised to invest in the NCDs;
- Trust including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Association of persons;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); and
- Resident Indian individuals and Hindu undivided families through the Karta aggregating to a value exceeding ₹5 lakh.

Category III*

- Resident Indian individuals; and
- Hindu undivided families through the Karta.
- * *applications through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants) up to a value of ₹ 5 lakh shall be made only under the UPI Mechanism.*

</td></tr>
<tr><td>Rating of Instrument</td><td>

Rating Agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated (in ₹ lakh)
ICRA Limited	Proposed public issue of NCDs	[ICRA] A (Stable)	March 27, 2027	20,000.00

</td></tr>
<tr><td>Pay-in date</td><td>Application Date. The entire Application Amount is payable on Application</td></tr>
<tr><td>Application money</td><td>The entire Application Amount is payable on submitting the Application</td></tr>
<tr><td>Mode of payment</td><td>Please see "Terms of the Issue – Manner of Payment of Interest / Redemption Amounts" on page 254.</td></tr>
<tr><td>Record Date</td><td>The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be.</td></tr>
<tr><td>All covenants of the Issue (including side letters, accelerated payment clause, etc.)</td><td>Please refer chapter titled "Terms of the Issue- Company's Covenants" on page 245.</td></tr>
<tr><td>Issue Schedule</td><td>As specified in the Prospectus**</td></tr>
<tr><td>Objects of the Issue</td><td>Please refer to the chapter titled "Objects of the Issue" on page 51.</td></tr>
<tr><td>Put/Call Option</td><td>As specified in the Prospectus</td></tr>
<tr><td>Put date</td><td>As specified in the Prospectus</td></tr>
<tr><td>Put price</td><td>As specified in the Prospectus</td></tr>
<tr><td>Call date</td><td>As specified in the Prospectus</td></tr>
<tr><td>Call price</td><td>As specified in the Prospectus</td></tr>
<tr><td>Put notification time (Timelines by which the investor need to intimate Issuer before exercising the put)</td><td>As specified in the Prospectus</td></tr>
<tr><td>Call notification time (Timelines by which the</td><td>As specified in the Prospectus</td></tr>
</table>

Issuer need to intimate investor before exercising the call)	
Minimum Application and in multiples of thereafter	As specified in the Prospectus
Face Value	₹ 1,000 (₹/NCD)
Issue Price	₹ 1,000 (₹/NCD)
Details of the utilisation of the proceeds of the Issue	Please refer to the chapter titled "*Objects of the Issue – Specific Terms of NCDs*" on page 240.
Coupon rate and redemption premium	Please refer to the chapter titled "*Terms of the Issue – Specific Terms of NCDs*" on page 240.
Step Up/Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Please refer chapter titled "*Terms of the Issue– Specific Terms of NCDs*" on page 240.
Coupon Payment Dates	Please refer chapter titled "*Terms of the Issue– Specific Terms of NCDs*" on page 240.
Coupon types (fixed, floating or other structure)	Please refer chapter titled "*Terms of the Issue– Specific Terms of NCDs*" on page 240.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	Not Applicable
Working Days convention	If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. In case the redemption date (also being the last interest payment date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Issue Opening Date	As specified in the Prospectus
Issue Closing Date	As specified in the Prospectus
Date of earliest closing of the issue, if any.	As specified in the Prospectus
Issue Timing	The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 working days and a maximum period of 10 working days from the date of opening of the issue and subject to not exceeding thirty 30 days from filing the Draft Prospectus with ROC) including any extensions), as may be decided by the Board of Directors of our Company ("Board") or the Debenture Committee, subject to relevant approvals, in accordance with SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in an English national daily newspaper and a regional daily newspaper in the state of Kerala with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.
Disclosure of interest/ Dividend/ redemption dates	Please refer chapter titled "*Terms of the Issue – Specific Terms of NCDs*" on page 240.
Default Interest Rate	In the event of any default in fulfilment of obligations by our Company under the Debenture Trust Deed, the Default Interest Rate payable to the Applicant shall be at least @ 2% p.a. over the coupon rate for the defaulting period, or such other rate as may be specified by applicable statutory and/or regulatory authority under applicable laws. Without prejudice to the above, in the event our Company fails to execute the Debenture Trust Deed within a period specified under the SEBI Master Circular, our Company shall

	pay interest of at least 2% p.a. to each NCD Holder, over and above the agreed coupon rate, till the execution of the Debenture Trust Deed.
Depository	NSDL and CDSL
Deemed Date of Allotment	The date on which the Board or the Debenture Committee approves the Allotment of NCDs. All benefits relating to the NCDs including interest on NCDs shall be available to Investors from the Deemed Date of Allotment. The actual allotment of NCDs may take place on a date other than the Deemed Date of Allotment
Day count basis	Actual
Interest on Application Money	Not Applicable
Tenor	Please refer chapter titled "*Terms of the Issue– Specific Terms of NCDs*" on page 240.
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	As specified in the Prospectus
Discount at which security is issued and the effective yield as a result of such discount.	As specified in the Prospectus
Redemption Amount	The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date
Redemption Date	Please refer chapter titled "*Terms of the Issue*" on page 242.
Redemption premium/ discount	Not Applicable
Transaction documents	This Draft Prospectus and the Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trusteeship Agreement, the Debenture Trust Deed and other security documents, if applicable, and various other documents/agreements/undertakings, entered or to be entered by the Company with Lead Manager and/or other intermediaries for the purpose of this Issue including but not limited to the Public Issue Account and Sponsor Bank Agreement, the Agreement with the Registrar and the Agreement with the Lead Manager. Refer to section titled "*Material Contracts and Documents for Inspection*" on page 307.
Affirmative and Negative covenants precedent and subsequent to the Issue	Please refer chapter titled "*Terms of the Issue- Company's Covenants*" on page 245.
Conditions precedent to disbursement	Other than the conditions specified in the SEBI NCS Regulations, there are no conditions precedents to disbursement.
Conditions subsequent to disbursement	Other than the conditions specified in the SEBI NCS Regulations, there are no conditions precedents to disbursement.
Events of default (including manner of voting/ conditions of joining inter-creditor agreement)	Please refer to the chapter titled "*Terms of the Issue – Events of Default and Consequences of Events of Default*" on page 245.
Creation of recovery expense fund	The creation of recovery expense fund will be finalised upon the execution of the Debenture Trust Deed, as applicable in accordance with the applicable provisions of SEBI NCS Regulations, SEBI Debenture Trustee Master Circular and other applicable laws.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	The conditions for breach of covenants will be finalised upon execution of the Debenture Trust Deed which shall be executed within the period specified under Regulation 18 of SEBI NCS Regulations.
Provisions related to Cross Default Clause	Please refer to the chapter titled "*Terms of the Issue – Events of Default and Consequences of Events of Default*" on page 245.
Roles and responsibilities of the Debenture Trustee	Please refer to the chapter titled "*Terms of the Issue – Debenture Trustees for the NCD Holders*" on page 244.
Risk Factors pertaining to the Issue	Please refer to the chapter titled "Risk Factors" on page 16.
Settlement Mode of Instrument	Please refer to the chapter titled "*Terms of the Issue - Payment on Redemption*" on page 256.
Governing law and	The Issue shall be governed in accordance with the laws of the Republic of India and

jurisdiction	shall be subject to the exclusive jurisdiction of the courts of Kochi, Kerala, India.

Note:

*(a) ** The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 Working Days and a maximum period of 10 Working Days from the date of the issue and subject to not exceeding 30 days from the date of filing of the Prospectus with ROC including any extensions) as may be decided by the Board of Directors of our Company ("**Board**") or the Debenture Committee, subject to approvals, in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in an English national daily newspaper and a regional daily newspaper in the state of Kerala with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.*

(b) In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this Issue of NCDs in dematerialized form. However, in terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs post allotment in physical form, will fulfil such request through the process of rematerialisation, if the NCDs were originally issued in dematerialized form.

[*]Participation by any of the above-mentioned Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

(c) While the NCDs are secured to the extent of hundred per cent of the amount of principal and interest or as per the terms of this Draft Prospectus, in favour of debenture trustee, it is the duty of the debenture trustee to monitor that the security is maintained.

In case of Application Form being submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Application Form.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/ consents/ approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to the Issue.

For further details, please refer to "*Issue Procedure*" on page 260.

Specific terms of NCDs

As specified in the Prospectus

Interest and Payment of Interest

As specified in the Prospectus

Day count convention

Please refer to Annexure I for details pertaining to the cash flows of the Company in accordance with the SEBI Master Circular.

Please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the transferee of deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs subject to such Transferee holding the NCDs on the Record Date.

Terms of Payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA

Account, in accordance with the terms of specified in "*Terms of The Issue – Manner of Payment of Interest / Redemption Amounts*" on page 254.

Participation by any of the above-mentioned Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Draft Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to this Issue. For further details, please see the chapter titled "*Issue Procedure*" on page 260.

Covenants of the Issue

As specified in the Prospectus

TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company held on February 27, 2025, approved the public issue of Secured, Redeemable, Non-Convertible Debenture for an amount aggregating up to ₹ 10,000 lakh, with an option to retain oversubscription up to ₹ 10,000 lakh, aggregating up to ₹ 20,000 lakh. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013, duly approved by the shareholders' vide their resolution passed at their general meeting held on December 14, 2022.

Principal Terms & Conditions of this Issue

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Prospectus, the Prospectus, the Application Forms, the terms and conditions of the Debenture Trusteeship Agreement, the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, BSE, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The NCDs

The NCDs being offered through this Issue would constitute direct and secured obligations of the Company and shall rank *pari passu* charge with the Existing Secured Creditors on all current assets, including book debts and receivables, cash and bank balances, loans and advances both present and future of our Company (not including reserves created in accordance with law, receivables of micro finance of the Company, fixed deposits and cash collateral over which exclusive charge is created), such that a security cover to the extent of 1 (one) time of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the redemption of NCDs.

Security

The Issue comprises of public issue of NCDs of face value of ₹ 1,000 each.

The principal amount of the NCDs to be issued in terms of this Draft Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first ranking *pari passu* charge with the Existing Secured Creditors on all current assets, including book debts and receivables, cash and bank balances, loans and advances both present and future of our Company (not including reserves created in accordance with law, receivables of micro finance of the Company, fixed deposits and cash collateral over which exclusive charge is created), such that a security cover to the extent of 1 (one) time of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the redemption of NCDs.

Our Company will create the security for the NCDs in favour of the Debenture Trustee for the Debenture Holders holding the NCDs on the assets to ensure 100.00% security cover of the amount outstanding including interest in respect of the NCDs at any time.

Our Company has entered into the Debenture Trusteeship Agreement and in furtherance thereof intends to enter into a deed of agreement with the Debenture Trustee, ("**Debenture Trust Deed**"), the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the Debenture Holders holding the NCDs the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on the NCDs at the rate specified in this Draft Prospectus and in the Debenture Trust Deed.

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security subject to prior written consent of the Debenture Trustee and/or may replace with another asset of the same or a higher value.

Our Company confirms that the Issue Proceeds shall be kept in the Public Issue Account until the documents for creation of security i.e., the Debenture Trust Deed, is executed.

The NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and/or RoC or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee. Further, in the event our Company fails to execute the Debenture Trust Deed within a period as specified under Regulation 18 of SEBI NCS Regulations, our Company shall pay interest of at least 2% p.a. to each Secured NCD Holder, over and above the agreed coupon rate, till the execution of the Debenture Trust Deed.

Debenture Redemption Reserve

Pursuant to Regulation 16 of the SEBI NCS 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, a 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 issued through public issue, maturing during the year ending on the 31st day of March of the next year in any one or more prescribed methods.

Accordingly, our Company is not required to create a DRR for the NCDs proposed to be issued through this Issue. Further, our Company 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 issued through public issue, maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on the 31st day of March of that year, in terms of the applicable laws.

Recovery Expense Fund

Pursuant to the SEBI Debenture Trustee Master Circular, the creation of the recovery expense fund shall be in accordance with the aforementioned circular, as may be amended from time to time. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective option(s)/series of NCDs issued.

Settlement Guarantee Fund

Our Company will deposit amounts in the settlement guarantee fund, as applicable, in the manner as specified in the SEBI Master Circular. This fund has been created under the SEBI Master Circular to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

Face Value

The face value of each NCD to be issued under this Issue shall be ₹1,000.

Debenture Holder not a Shareholder

The Debenture Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations.

Rights of NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided under the Companies Act, 2013, our Memorandum of Association and Articles

of Association and/or the Debenture Trust Deed, confer upon the NCD Holders thereof any rights or privileges available to our members including the right to receive notices or annual reports of, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members, the said resolution will first be placed before the concerned registered NCD Holders for their consideration. The opinion of the Debenture Trustee as to whether such resolution is affecting the right attached to the NCDs is final and binding on NCD Holders. In terms of Section 136 of the Companies Act, 2013, the NCD Holders shall be entitled to a copy of the balance sheet and copy of trust deed on a specific request made to us.

2. Subject to applicable statutory/ regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.

3. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by them.

4. The NCDs are subject to the provisions of the SEBI NCS Regulations, the applicable provisions of Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Prospectus, the Abridged Draft Prospectus, the Application Form, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

5. For the NCDs issued in dematerialized form, the Depositories shall also maintain updated records of holders of the NCDs in dematerialized Form. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD Holders for this purpose. The same shall be maintained at the registered office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders.

6. A register of NCD Holders holding NCDs in physical form pursuant to rematerialisation of the NCDs issued pursuant to this Issue ("Register of NCD Holder") will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest/redemption amounts and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of NCD Holders as on the Record Date.

7. Subject to compliance with applicable statutory requirements, the NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the NCDs after providing at least 15 days' prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the NCDs of all the NCD Holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be as per the terms of this Draft Prospectus and the Debenture Trust Deed.

Debenture Trustees for the NCD Holders

We have appointed MITCON Credentia Trusteeship Services Limited to act as the Debenture Trustees for the NCD Holders in terms of Regulation 8 of the SEBI NCS Regulations and Section 71(5) of the Companies Act, 2013 and the rules prescribed thereunder. We and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us with respect to the NCDs as per the extant SEBI regulations applicable for the proposed Issue. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the

interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the Debenture Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost. It is it the duty of the debenture trustee to monitor the security cover is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Our Company shall not create any further encumbrances on the Security except with the prior approval of the Debenture Trustee. In the event of such request by our Company, the Debenture Trustee shall provide its approval for creation of further charges provided that our Company provides a certificate from a chartered accountant stating that after creation of such further charges, the required Security cover is maintained.

At any time before the Security constituted hereunder becomes enforceable, the Debenture Trustee, may, at the request of our Company and without any consent of the NCD Holders, do or concur our Company in doing all or any of the things which our Company might have done in respect of the Security as if no security had been created and particularly, but not by way of limitation, the following assent to any modification of any contracts or arrangements which may be subsisting in relation to the Security.

The Debenture Trustee Agreement dated March 25, 2025 entered between the Company and Mitcon Credentia Trusteeship Services Limited is available at below website link and can also be accessed by scanning the below QR code:

Website Link: <https://drive.google.com/file/d/1jH51sQKllcgdSh4gPy8WnTlJbgSkSW2-/view>

Company's Covenants

As specified in the Prospectus

Events of Default and Consequences of Events of Default

(a) If one or more of the events specified herein sub clause (b) (hereinafter called the "**Events of Default**") occurs, the Debenture Trustee may, in its discretion, and shall in accordance with the SEBI Debenture Trustee Master Circular, by a notice in writing to the Company declare the Redemption Amount and all interest on the NCDs to be due and payable forthwith and the Security created hereunder shall become enforceable, and the Debenture Trustee shall have the following rights, namely:

(i) to take possession of the Hypothecated Properties or any part thereof, by directing the Company in writing to deliver the same to the Debenture Trustee at any place or places designated by the Debenture Trustee, in which event the Company shall, at its own expense:

- forthwith cause the same to be moved and delivered to the place or places so designated by the Debenture Trustee;
- keep any Hypothecated Property to be delivered to the Debenture Trustee (to the extent not physically delivered to the Debenture Trustee) at such place or places pending further action by the Debenture Trustee as provided in these presents; and
- while such Hypothecated Properties shall be so kept, provide such guards and maintenance services as shall be necessary to protect the same;

(ii) to retain all cash proceeds received or receivable by the Company in respect of the Hypothecated Properties and to use such funds, in whole or part, towards repayment of the Company's obligations to the NCD Holders and/or the Debenture Trustee.

(b) The occurrence of any one of the following events shall constitute an event of default by the Company:

(i) Default is committed in payment of the Redemption Amount/Principal Amount of the NCDs on the Redemption Date;

(ii) Default is committed in payment of any Interest Amount on the NCDs on the Interest Payment Date;

(iii) Default is committed in payment of any other monies including costs, charges and expenses incurred by the Debenture Trustee;

(iv) Default is committed in the performance or observance of any covenant, condition or provision contained in these presents and/or the Financial Covenants and Conditions and the Issue Document (other than the obligation to pay Redemption Amount and Interest) and, except where the Debenture Trustee certify that such default is in their opinion incapable of remedy (in which case no notice shall be required), such default continues for 30 days after written notice has been given thereof by the Debenture Trustee to the Company requiring the same to be remedied;

(v) Default by the Company in maintaining the Security Cover for a continuous period of 7 (seven) Business Days;

(vi) Any indebtedness of the Company for borrowed monies i.e. indebtedness for and in respect of monies borrowed or raised (whether or not for cash consideration) by whatever means (including acceptances, credits, deposits and leasing) becomes due prior to its stated maturity by reason of default of the terms thereof or any such indebtedness is not paid at its stated maturity or there is a default in making payments due under any guarantee or indemnity given by the Company in respect of the indebtedness of borrowed monies of any person and such default has not been cured or waived;

(vii) Any information given by the Company in the reports and other information furnished by the Company and the warranties given/deemed to have been given by it to the Debenture Trustee is found to be misleading or incorrect in any material respect;

(viii) If there is reasonable apprehension that the Company is unable to pay its debts or proceedings for taking it into liquidation, either voluntarily or compulsorily, may be or have been admitted by the court;

(ix) If the Hypothecated Properties have not been kept insured or depreciate in value to such an extent that, in the opinion of the Debenture Trustee, further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;

(x) If without the prior written approval of the Debenture Trustee, the Hypothecated Properties or any part thereof is sold, disposed of, charged, encumbered or alienated;

(xi) The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law and such proceeding is admitted by the court or the Company is voluntarily or involuntarily dissolved; and a court having jurisdiction shall enter a decree or order for relief in respect of the Company and such decree or order shall remain unstayed and in effect for a period of 30 (thirty) consecutive days or the Company has consented to the entry of an order for relief in an involuntary case under any such laws, or shall consent to the appointment of or taking possession by a receiver, liquidator, trustee, custodian, sequestrator or similar official of the Company or for any substantial part of its property or has made any general assignment for the benefit of the creditors, or has failed generally to pay its debts as they become due or shall take any corporate action in furtherance of any of the above;

(xii) If a petition for winding up of the Company shall have been admitted or if an order of a court of competent jurisdiction is made or a notice shall have been given of a

proposed resolution for the winding up of the Company or an effective resolution is passed for the winding up of the Company otherwise than in pursuance of a scheme of amalgamation or reconstruction previously approved in writing by the Debenture Trustee and duly carried out into effect;

(xiii) The Company is unable to or has admitted in writing its inability to pay its debts as they mature;

(xiv) If in the opinion of the Debenture Trustee further security should be created to secure the NCDs and on advising the Company to the effect such security has not been given to the Debenture Trustee to its reasonable satisfaction;

(xv) The Company has taken or suffered any action to be taken for its reorganisation, liquidation or dissolution;

(xvi) A receiver or a liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Company;

(xvii) If any extra-ordinary circumstances have occurred which make it improbable for the Company to fulfil its obligation under these presents and/or the NCDs;

(xviii) The Company ceases or threatens to cease to carry on its business or gives notice of its intention to do so;

(xix) When any breach of the terms of the prospectus inviting the subscriptions of debentures or of the covenants of this Deed is committed;

(xx) If the Company is unable to pay its debts or if the Company is carrying on business at a loss and it appears to the Debenture Trustee that continuation of its business will endanger the security hereby created;

(xxi) If in the opinion of the Debenture Trustee, the Security of the NCD Holders is in jeopardy;

(xxii) If it is certified by an accountant or firm accountants appointed by the Trustee that the liabilities of the Company exceed its respective assets;

(xxiii) If the Company proposes or enters into any amalgamation, merger, reorganisation or reconstruction without the prior written consent of the Debenture Trustee;

(xxiv) If the Company shall, without the prior consent of the Debenture Trustee in writing, make or attempt to make any alteration to its Memorandum and Articles of Association, which, affects adversely the interest of the NCD Holders;

(xxv) If any litigation, arbitration, investigative or administrative proceedings is instituted against the Company that restrains the Company's entry into or restricts the exercise of any of the Company's rights under or compliance by the Company of any of its obligations under the Deed and is not discharged or resolved within a period of 60 days of such institution, the Company shall request the Debenture Trustee in writing to extend the period for such resolution by such additional time as may seem reasonable. The Debenture Trustee shall, within 30 days of receipt of such a request, call a meeting of the NCD Holders within to decide upon granting extension to the Company to resolve or discharge such litigation, arbitration, investigative or administrative proceedings. The decision of NCD Holders holding Majority Interest shall be communicated to the Company with regard to whether failure to resolve or discharge such litigation, arbitration, investigative or administrative proceedings shall constitute a material adverse effect;

(xxvi) If the following documents are not executed and/or perfected as the case maybe within the timeframe specified for each of such documents:

a. The Debenture Trust Deed is not executed/perfected before transfer of funds from the Public Issue Account as specified in the Prospectus.

(c) Upon the occurrence of an Event of Default, the Debenture Trustee or the NCD Holders as the case maybe, shall enforce the Security and exercise the power of sale as set out under Clause 13 or any other right over the Hypothecated Properties conferred on the Debenture Trustee under the Deed, in accordance with SEBI Debenture Trustee Circular and other applicable law.

(d) All expenses incurred by the Debenture Trustee after an Event of Default has occurred in connection with:

(i) preservation of the Company's assets (whether then or thereafter existing); and
(ii) collection of amounts due in respect of the NCDs;

shall be payable by the Company.

(e) **Additional obligations of the Debenture Trustee**

(i) In respect of the SEBI Debenture Trustee Circular, the entering into, and the performance of any obligations under any inter-creditor agreement (pursuant to the Stressed Assets Framework) or any resolution plan shall be subject to the terms of the SEBI Debenture Trustee Circular (including without limitation, the resolution plan being finalised within the time period prescribed in the SEBI Debenture Trustee Circular, and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under the SEBI Debenture Trustee Circular).

(ii) In the event the Recovery Expense Fund is proposed to be utilised for the purposes of enforcement of the Security, the Debenture Trustee shall follow the procedure set out in the SEBI Debenture Trustee Circular.

(f) **Remedies**

If one or more of the events specified above occur(s), the Debenture Trustee may take such steps subject to the provisions of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and SEBI Debenture Trustee Circular by a notice in writing to the Company, declare the principal of and all accrued interest on the Debentures to be due and payable forthwith and the Debentures shall without any further action become due for redemption along with the interest accrued thereon.

Market Lot and Trading Lot

The NCDs shall be allotted in dematerialized form. As per the SEBI NCS Regulations, the trading of the NCDs is in dematerialised form and the tradable lot is one NCD.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such NCDs) prior to redemption of the NCDs.

Allotment in the Issue will be in Demat form in multiples of one NCD. For details of allotment, see "*Issue Procedure"* on page 260.

Nomination facility to Debenture Holder

In accordance with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 ("**Rule 19**") and Section 72 of the Companies Act, 2013, the sole Debenture Holder, or first Debenture Holder, along with other joint Debenture Holders' (being individual(s)), may nominate, in the **Form No. SH.13,** any one person in whom, in the event of the death of Applicant the NCDs Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No. SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to NCDs in the event of the holder's death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar to the

Issue.

Debenture Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the Debenture Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Rule 19, any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the NCDs; or
- to make such transfer of the NCDs, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, the Board may thereafter withhold payment of all interests or redemption amounts or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

For all NCDs held in the dematerialized form, nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant in connection with NCDs held in the dematerialized form.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the Debenture Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

For all NCDs held in the dematerialised form and since the allotment of NCDs pursuant to this Issue will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. The nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant in connection with NCDs held in the dematerialised form.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Kochi, Kerala, India.

Application in the Issue

Applicants shall apply in this Issue in dematerialised form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only (including Applications made by UPI Investors under the UPI Mechanism).

In terms of Regulation 7 of the SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the NCDs in physical form will rematerialize the NCDs. However, any trading of the NCDs shall be compulsorily in dematerialised form only.

Form of Allotment and Denomination of NCDs

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchange shall be in dematerialized form only in multiples of one (1) NCD ("**Market Lot**"). Allotment in this Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one NCD.

For details of allotment please see "*Issue Procedure*" on page 260.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. The seller should give delivery instructions containing details of the buyer's DP account to his Depository Participant.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Company or Registrar.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 read with SEBI Press release (no. 49/ 2018) dated December 3, 2018, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from April 1, 2019. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Title

In case of:

- the NCDs held in the dematerialised form, the person for the time being appearing in the record of beneficial owners maintained by the Depository; and

- the NCDs held in physical form, pursuant to any rematerialisation, the person for the time being appearing in the Register of Debenture Holders as Debenture Holder,

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the NCD Certificate issued in respect of the NCDs and no person will be liable for so treating the Debenture Holder.

Register of Debenture Holders

No transfer of title of NCD will be valid unless and until entered on the Register of Debenture Holders or the register and index of Debenture Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Maturity Amount, as the case may be, will be paid to the person, whose name appears first in the Register of Debenture Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the Companies Act/ the relevant provisions of the Companies Act applicable as on the date of this Draft Prospectus shall apply, mutatis mutandis (to the extent applicable) to the NCD(s) as well.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the Debenture Holder(s). It will be sufficient for our Company to delete the name of the deceased Debenture Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased Debenture Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, the Company will recognise the executors or administrator of the deceased Debenture Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of the Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of Debenture Holders who are holding NCDs in dematerialised form, third person is not required to approach the Company to register his name as successor of the deceased Debenture Holder. He shall approach the respective Depository Participant of the Debenture Holder for this purpose and submit necessary documents as required by the Depository Participant.

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

with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased Debenture Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Procedure for Re-materialization of NCDs

Subject to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022 dated January 25, 2022, Debenture Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to the Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs Allotted pursuant to this Issue. However, NCDs held in physical form, pursuant to any re-materialisation, as above, cannot be transferred. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Period of Subscription

The subscription list shall remain open for a period as indicated below, with an option for early closure or extension by such period, as may be decided by the Board or a duly authorised committee of Directors of our Company, subject to necessary approvals. In the event of such early closure of the Issue, our Company shall ensure that notice of such early closure is given one day prior to such early date of closure through advertisement/s in an English national daily newspaper and a regional daily newspaper in the state of Kerala, with wide circulation.

Issue Programme

ISSUE OPENING DATE	As specified in Prospectus
ISSUE CLOSING DATE	As specified in Prospectus[#]

[#] *The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a minimum period of 2 Working Days and a maximum period of 10 Working Days from the date of the issue and subject to not exceeding 30 days from the date of filing of the Draft Prospectus with ROC including any extensions) as may be decided by the Board of Directors of our Company ("**Board**") or the Debenture Committee, subject to approvals, in accordance with the SEBI NCS Regulations. In the event of such an early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in an English national daily newspaper and a regional daily newspaper in the state of Kerala, with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.*

*Application (including Application under the UPI Mechanism) and any further changes to the Applications shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time, "**IST**") during the Issue Period as mentioned above by the Designated Intermediaries at the bidding centre and by the SCSBs directly at the Designated Branches of SCSBs, except that on the Issue Closing Date when the Applications and any further changes in details in Applications, if any, shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and shall be uploaded until 5.00 p.m. (IST) or such extended time as permitted*

by the Stock Exchange. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. It is clarified that the Applications not uploaded in the Stock Exchange platform would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time.

Such Applications that cannot be uploaded will not be considered for Allocation under the Issue. Applications will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday). Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or Designated Branches of SCSBs are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of Investors, the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

Basis of payment of Interest

NCDs once Allotted under any particular category of NCDs shall continue to bear the applicable tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of Debenture Holder on any Record Date, and such Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Payment of Interest/Maturity Amount will be made to those Debenture Holders whose names appear in the Register of Debenture Holders (or to first holder in case of joint-holders) as on Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the Interest Payment Date, would be directly credited to the account of those Investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help Debenture Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Please see, *"Terms of The Issue- Manner of Payment of Interest / Redemption Amounts"* on page 254.

Taxation

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than 5,000 and interest is paid by way of account payee cheque).

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest;

b) When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be Nil. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of 236 Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

c) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be Nil.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. Further, eligible NCD Holders other than resident individuals or resident HUF investors, the following documents should be submitted with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest (i) copy of registration certificate issued by the regulatory authority under which the investor is registered, (ii) self-declaration for non-deduction of tax at source, and (iii) such other document a may be required under the Income Tax Act, for claiming non-deduction / lower deduction of tax at source and/or specified by the Company/ Registrar, from time to time.

The aforesaid documents, as may be applicable, should be submitted at least 7 days before the relevant Record Date for payment of interest on the NCDs quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The aforesaid documents for claiming non-deduction or lower deduction of tax at source, as the case may be, shall be submitted to the Registrar as per below details or any other details as may be updated on the website of the Issuer at www.muthootenterprises.com or the Registrar at www.kfintech.com, from time to time.

The investors need to submit Form 15H/ 15G/certificate in original from the Assessing Officer for each Fiscal during the currency of the NCD to claim non-deduction or lower deduction of tax at source from interest on the NCD. Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled "Issue Procedure" on page 260, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Day Count Convention

Interest shall be computed on actual/actual basis i.e., on the principal outstanding on the NCDs as per the SEBI Master Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the "**Effective Date**"), however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

Illustration for guidance in respect of the day count convention and effect of holidays on payments

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Master Circular shall be disclosed in the Prospectus.

Maturity and Redemption

As specified in the Prospectus

Application Size

Each Application should be for a minimum of 10 NCDs and multiples of one NCD thereof. The minimum Application size for each Application would be ₹ 10,000 (for all kinds of Series [•] to [•]) NCDs either taken individually or collectively) and in multiples of ₹1,000 thereafter.

Applicants can apply for any or all options of NCDs offered hereunder provided the Applicant has applied for minimum Application size using the same Application Form.

Applicants are advised to ensure that Application made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹1,000 per NCD is blocked in the ASBA Account on Application itself. In case of Allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on Application in accordance with the terms of this Draft Prospectus.

Manner of Payment of Interest / Redemption Amounts

The manner of payment of interest / redemption in connection with the NCDs is set out below:

For NCDs held in dematerialised form:

The bank details will be obtained from the Depositories for payment of interest / redemption amount as the case may be. Holders of the NCDs, are advised to keep their bank account details as appearing on the records of the Depository Participant updated at all points of time. Please note that failure to do so could result in delays in credit of interest/redemption amounts at the Applicant's sole risk, and the Lead Manager, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

For NCDs held in physical form on account of re-materialization:

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. For further details, please see "*Terms of The Issue-Procedure for Re-materialization of NCDs*" on page 251.

The mode of payment of interest/redemption amount shall be undertaken in the following order of preference:

1. **Direct Credit/ NACH/ RTGS:** Investors having their bank account details updated with the Depository shall be eligible to receive payment of interest / redemption amount, through:

   (i) **Direct Credit**. interest / redemption amount would be credited directly to the bank accounts of the Investors, if held with the same bank as the Company.

   (ii) **NACH:** National Automated Clearing House which is a consolidated system of ECS. Payment of interest / redemption amount would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of interest / redemption amount through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all

information for crediting the interest / redemption amount through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get interest / redemption amount through NEFT or Direct Credit or RTGS.

(iii) **RTGS:** Applicants having a bank account with a participating bank and whose interest / redemption amount exceeds ₹2 lakh, or such amount as may be fixed by RBI from time to time, **have** the option to receive the interest / redemption amount through RTGS. Such eligible Applicants who indicate their preference to receive interest / redemption amount through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least 7 (seven) days before the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest / redemption amount shall be made through NECS subject to availability of complete bank account details for the same as stated above.

(iv) **NEFT:** Payment of interest / redemption amount shall be undertaken through NEFT wherever the Applicants' bank has been assigned the Indian Financial System Code ("**IFSC**"), which can be **linked** to a Magnetic Ink Character Recognition, if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of the interest / redemption amounts, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the de-mat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest / redemption amount will be made to the Applicants through this method.

2. **Registered Post/Speed Post:** For all other Debenture Holders, including those who have not updated their bank particulars with the MICR code, the interest payment / redemption amount shall be paid by way of interest/ redemption warrants dispatched through speed post/ registered post only to Applicants that have provided details of a registered address in India.

Printing of Bank Particulars on Interest/ Redemption Warrants

As a matter of precaution against possible fraudulent encashment of interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs held dematerialised form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form on account of rematerialisation, the Investors are advised to submit their bank account details with our Company / Registrar at least 7 (seven) working days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the NCD as available in the records of our Company. Bank account particulars will be printed on the warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the Debenture Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements.

Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Procedure for Redemption by Debenture Holders

The procedure for redemption is set out below:

NCDs held in physical form on account of re-materialization:

No action would ordinarily be required on the part of the Debenture Holder at the time of redemption and the redemption proceeds would be paid to those Debenture Holders whose names stand in the register of Debenture Holders maintained by us on the Record Date fixed for the purpose of redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificate(s)) be surrendered for redemption on maturity and should be sent by the Debenture Holder(s) by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. Debenture Holder(s) may be requested to surrender the NCD certificate(s) in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those Debenture Holders whose names stand in the register of Debenture Holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled. Also see "*Terms of The Issue- Payment on Redemption*" on page 256.

NCDs held in electronic form:

No action is required on the part of Debenture Holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of re-materialisation

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificate(s), duly discharged by the sole holder / all the joint-holders (signed on the reverse of the NCD certificate(s)). Dispatch of cheques/pay order, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those Debenture Holders whose names stand in the Register of Debenture Holders maintained by us/Registrar to the Issue on the Record Date fixed for the purpose of redemption. Hence the transferees, if any, should ensure lodgement of the transfer documents with us at least 7 (seven) working days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 (seven) working days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties *inter se* and no claim or action shall lie against us or the Registrar.

Our liability to holder(s) towards their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the Debenture Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those Debenture Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of Debenture Holders.

Our liability to Debenture Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the Debenture Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the Debenture Holders available with us, and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the Debenture Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper in Kerala and/or will be sent by post/ courier or through email or other electronic media to the registered holders of the NCD(s) from time to time.

Issue of duplicate NCD Certificate(s)

If any NCD certificate(s), issued pursuant to rematerialisation, if any, is/are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/security and/or documents as we may deem adequate, duplicate NCD certificate(s) shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Future Borrowings

We will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner having such ranking in priority, *pari passu* or otherwise, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and change the capital structure including the issue of shares of any class, on such terms and conditions as we may think appropriate, provided stipulated security cover is maintained on the NCDs and after obtaining the consent of, or providing intimation to the Debenture Trustee regarding the creation of a charge over such security.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹10 lakh or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In

case the fraud involves (i) an amount which is less than ₹10 lakh or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakh or with both.

Pre-closure

Our Company, in consultation with the Lead Manager reserves the right to close this Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription (75% of the Base Issue, i.e. ₹7,500 lakh). Our Company shall allot NCDs with respect to the Application Forms received at the time of such pre-closure in accordance with the Basis of Allotment as described herein and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date for this Issue, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given.

Minimum Subscription

If our Company does not receive the minimum subscription of 75% of Base Issue Size i.e. ₹ 7,500 lakh, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight Working Days from the Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule V of SEBI NCS Regulations in compliance with the Regulation 30 of SEBI NCS Regulations. Material updates, if any, between the date of filing of the Draft Prospectus with RoC and the date of release of the statutory advertisement, will be included in the statutory advertisement.

Listing

The NCDs offered through this Draft Prospectus are proposed to be listed on the BSE. Our Company has obtained an 'in-principle' approval for the Issue from the BSE *vide* their letter dated [•], 2025. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing at the Stock Exchange is taken within six Working Days of the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the options, such option(s) of NCDs shall not be listed. If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus.

Guarantee/Letter of Comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Arrangers

No arrangers have been appointed for this Issue.

Monitoring & Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in the Company's financial statements for the relevant financial year commencing from financial year 2024-25, the utilisation of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue

Lien

Not Applicable

Lien on Pledge of NCDs

Subject to applicable laws, our Company, at its discretion, may note a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the Debenture Holder against pledge of such NCDs as part of the funding.

ISSUE PROCEDURE

This chapter applies to all Applicants. Pursuant to the SEBI Master Circular, all Applicants are required to apply for in the Issue through the ASBA process and an amount equivalent to the full Application Amount as mentioned in the Application Form will be blocked by the Designated Branches of the SCSBs. Further, pursuant to the SEBI Master Circular, SEBI has introduced the UPI Mechanism as a payment mechanism for the Issue, wherein a UPI Investor, may submit the Application Form with a SCSB or a Designated Intermediary or through the app/web based interface platform of the Stock Exchange and use their bank account linked UPI ID for the purpose of blocking of funds, if the Application being made is for a value of ₹5 lakh or less. The UPI Mechanism is applicable for public issue of debt securities which open for subscription on or after January 1, 2021. Accordingly, payment through the UPI Mechanism shall be available for the Issue. SEBI, vide the SEBI Master Circular has also introduced an additional mode for application in public issues of debt securities through an online (app/web) interface to be provided by the stock exchanges. In this regard, SEBI has also stipulated that the stock exchanges formulate and disclose the operational procedure for applying through the app/web based interface developed by them for making applications in public issues through the stock exchange's website. Since, BSE is the Designated Stock Exchange for the Issue, BSE's online platform BSE Direct, shall be available to UPI Investors to make an application under the UPI Mechanism, in accordance with the operational procedures notified by BSE vide notifications dated December 28, 2020. Further, pursuant to SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/128 dated September 24, 2024 all individual investors applying in public issue through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants), where the application amount is up to ₹ 5,00,000 shall only use UPI for the purpose of blocking of funds and provide his/ her bank account linked UPI ID in the bid-cum-application form submitted with intermediaries.

Applicants should note that they may submit their Application Forms (including in cases where Applications are being made under the UPI mechanism) at (i) the Designated Branches of the SCSBs or (ii) at the Collection Centres, i.e., to the respective Members of the Consortium at the Specified Locations, the Trading Members at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations or (iii) through BSE Direct, the app and/or web based interface/platform of the Stock Exchange, as applicable. For further information, please see "Issue Procedure - Submission of Completed Application Forms" on page 280.

Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Draft Prospectus.

Please note that this section has been prepared based on the requirements notified by the SEBI Master Circular and the notifications issued by BSE, in relation to the UPI Mechanism.

Further, our Company, the Lead Manager and the Members of the Syndicate do not accept any responsibility for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in the Issue.

THE DESIGNATED INTERMEDIARIES (OTHER THAN TRADING MEMBERS), SCSBS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITIES OF SUCH TRADING MEMBERS INCLUDING BUT NOT LIMITED TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATION THROUGH TRADING MEMBERS REGISTERED WITH THE STOCK EXCHANGE.

For purposes of this Issue, the term "Working Day" shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in Mumbai. Furthermore, for the purpose of post issue period, i.e., period beginning from the Issue Closure to listing of the NCDs on the Stock Exchange, Working Day shall mean all trading days of the Stock Exchange, excluding Saturday, Sundays and bank holidays in Mumbai, as per the SEBI NCS Regulations.

The information below is given for the benefit of the Investors. Our Company and the Members of Syndicate are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus.

PROCEDURE FOR APPLICATION

Availability of the Abridged Prospectus and Application Forms

The Abridged Prospectus containing the salient features of this Draft Prospectus together with Application Form may be obtained from:

(a) Our Company's Registered Office;
(b) Offices of the Lead Manager/Syndicate Member;
(c) the CRTA at the Designated RTA Locations;
(d) the CDPs at the Designated CDP Locations;
(e) Trading Members at the Broker Centres; and
(f) Designated Branches of the SCSBs.

Electronic copies of this Draft Prospectus and the Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Manager, the Stock Exchange, SEBI and the SCSBs.

Electronic Application Forms may be available for download on the website of the Stock Exchange and on the websites of the SCSBs that permit submission of Application Forms electronically. A unique application number ("**UAN**") will be generated for every Application Form downloaded from the website of the Stock Exchange. Our Company may also provide Application Forms for being downloaded and filled at such website as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchange can download Application Forms from the website of the Stock Exchange. Further, Application Forms will be provided to Trading Members of the Stock Exchange at their request.

UPI Investors making an Application up to ₹ 5 lakh, using the UPI Mechanism, must provide the UPI ID in the relevant space provided in the Application Form. Application Forms that do not contain the UPI ID are liable to be rejected. UPI Investors applying using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Who can apply?

The following categories of persons are eligible to apply in this Issue:

Category I

- Resident public financial institutions as defined in Section 2(72) of the Companies act 2013, statutory corporations including state industrial development corporations, scheduled commercial banks, co-operative banks and regional rural banks, and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds of minimum corpus of ₹2,500 lakh, pension funds of minimum corpus of ₹2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative investment funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident venture capital funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- National Investment Fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India);
- Insurance funds set up and managed by the Indian army, navy or the air force of the Union of India or by the Department of Posts, India;
- Mutual funds registered with SEBI; and
- Systemically Important NBFC registered with RBI and having a net-worth of more than ₹50,000 lakh as per the last audited financial statements.

Category II

- Companies falling within the meaning of Section 2(20) of the Companies Act 2013; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment; which are authorised to invest in the NCDs;
- Trust including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Association of persons;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;

- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); and
- Resident Indian individuals and Hindu undivided families through the Karta applying for an amount aggregating to a value exceeding ₹5 lakh.

Category III*#

- Resident Indian individuals; and
- Hindu undivided families through the Karta.

** applications aggregating to a value not more than ₹5 lakh.*

 # applications through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants) up to a value of ₹ 5 lakh can be made only under the UPI Mechanism.

For Applicants applying for NCDs, the Registrar shall verify the above on the basis of the records provided by the Depositories based on the DP ID, Client ID and where applicable the UPI ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Members of the Syndicate or the Trading Members, as the case may be.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that Application made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to this Issue.

The Lead Manager and its respective associates and affiliates are permitted to subscribe in the Issue.

Who are not eligible to apply for NCDs?

The following categories of persons, and entities, shall not be eligible to participate in this Issue and any Application from such persons and entities are liable to be rejected:

(a) Minors without a guardian name*(A guardian may apply on behalf of a minor. However, Application by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);
(b) Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
(c) Persons resident outside India and other foreign entities;
(d) Foreign Portfolio Investors;
(e) Foreign Venture Capital Investors;
(f) Qualified Foreign Investors;
(g) Overseas Corporate Bodies; and
(h) Persons ineligible to contract under applicable statutory/regulatory requirements.

**Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

Based on the information provided by the Depositories, our Company shall have the right to accept Application Forms belonging to an account for the benefit of a minor (under guardianship). In case of such Application, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in this Issue.

Please see "*Issue Procedure- Rejection of Applications*" on page 282 for information on rejection of Applications.

Method of Application

In terms of the SEBI Master Circular, an eligible Investor desirous of applying in this Issue can make Applications through the ASBA mechanism only. Applicants are requested to note that in terms of the SEBI Master Circular, SEBI has mandated issuers to provide, through a recognised stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**"). In this regard, SEBI has, through the SEBI Master Circular, directed recognized stock exchanges in India to put in necessary systems and infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism. Further, SEBI vide the SEBI Master Circular has directed the stock exchanges in India to formulate and disclose the operational procedure for making an application through the app/web based interface developed by them in order for investors to apply in public issue on their websites.

All Applicants shall mandatorily apply in the Issue either through:

1. the ASBA process (including UPI Investors). Applicants intending to subscribe in the Issue shall submit a duly filled Application Form to any of the Designated Intermediaries; or

2. UPI Investors having a valid UPI ID, through the app/web based interface platform of the Stock Exchange (BSE Direct) wherein the application would automatically be uploaded onto the Stock Exchange's bidding platform and the amount will be blocked using the UPI Mechanism.

Additionally, certain SEBI registered UPI handles which can be accessed at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40may also be used for making an Application through the UPI Mechanism.

Application process through physical Application Form

Applicants opting for the physical mode of Application process, should submit the Application Form (including for Applications under the UPI Mechanism) only at the Collection Centres, i.e., to the respective Members of the Syndicate at the Specified Locations, the SCSBs at the Designated Branches, the registered broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available on SEBI's website *for Applications under the UPI Mechanism* at https://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of Application Forms from ASBA Applicants (including for Applications under the UPI Mechanism), shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit the Application Forms (except Application Forms submitted by UPI Investors under the UPI Mechanism) with the SCSB with whom the relevant ASBA Accounts are maintained. An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB, with the SCSB and can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. For Applicants submitting the physical application Form who wish to block the funds in their respective UPI linked bank account through the UPI Mechanism, post uploading of the details of the Application Forms into the online platform of the Stock Exchange, the Stock Exchange shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such UPI Investors for blocking of funds.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs (other than UPI Applications), the Application Amount payable on Application has been blocked in the relevant ASBA Account and for Applications by UPI Investors under the UPI Mechanism, uploaded by Designated Intermediaries, the Application Amount payable on Application has been blocked under the UPI Mechanism.

APPLICATION PROCESS THROUGH APP/WEB BASED INTERFACE OF THE STOCK EXCHANGE – *BSE DIRECT*

SEBI, *vide* the SEBI Master Circular, has introduced an additional mode for application in the Issue through online (app / web) interface/platform of the Stock Exchange. In furtherance to the same, the Stock Exchange has extended the facility of '**BSE Direct**', which is a web based and a mobile app based platform for making an Application in the Issue where the funds can be blocked through the UPI Mechanism. BSE Direct platform can be accessed at **https://www.bsedirect.com** and can be accessed through the mobile app available (for android phone users only) on the Google Playstore.

Please note that Applications in the Issue, through the 'BSE Direct' platform, can only be made by UPI Investors, i.e., Applicants who make an Application in the Issue for an amount up to ₹5 lakh only.

BSE Limited, the Designated Stock Exchange, has vide notifications dated December 28, 2020, notified the detailed operational procedure for making an Application, under the UPI Mechanism, using BSE Direct. The detailed operational instructions and guidelines issued by the Stock Exchange can be accessed on the Stock Exchange's website at www.bseindia.com.

Operational Instructions and Guidelines

Certain relevant operational instructions and guidelines, for using BSE Direct to make an Application in the Issue, are listed below:

a. **General Instructions –**

i. Applicants are required to preregister themselves with BSE Direct. For the detailed process of registration and Applications under the BSE Direct Platform, see "*Issue Procedure- Process of Registration and Application on BSE Direct Platform/Mobile App*" on page 266.

ii. Applicants can access BSE Direct platform via internet at https://www.bsedirect.com or through the mobile app (on android phones only) called BSE Direct which can be downloaded from the Google Playstore.

iii. The BSE Direct platform, offers a facility of making a direct application through the web based platform or the mobile app with a facility to block funds up to ₹5 lakh through the UPI Mechanism.

iv. The mode of allotment for Applications made through the BSE Direct platform, shall mandatorily be in dematerialised form only.

b. **Order Entry Parameters –**

Pursuant to the SEBI Master Circular and other relevant SEBI circulars, the following operating parameters shall be made available for making an Application in the Debt IPO Segment. Applicants are requested to note the following general instructions:

i. The Issue symbol will remain same across all series/options;

ii. Applicants can enter order for a single Application having different series within one order entry screen;

iii. Before submission of the Application, the Applicant should have created an UPI ID with a maximum length of 45 characters including the handle (example: investorId@bankname)

Applicants can only submit an Application with the UPI Mechanism as the payment mode. The Applications which are successfully accepted will be allotted a bid id or order no.

Modification and cancellation of orders

i. An Applicant shall not be allowed to add or modify the Application except for modification of either DP ID/Client ID, or PAN but not both.

ii. The Applicant can withdraw the bid(s) submitted under a single Application and reapply.

iii. The part cancellation of bid in a single Application will not be permitted.

For details of the process post the Application details being entered into the bidding platform of the Stock Exchange, see "*Issue Procedure- Submission of Applications – for Applications under the UPI Mechanism*" on page 271.

c. **Re-initiation of Bids**

i. If the Applicant has not received the UPI Mandate vide an SMS or on the mobile app, associated with the UPI ID linked bank account, they will have the option to re-initiate the bid which is pending for confirmation.

ii. The facility of re-initiation/ resending the UPI Mandate shall be available only till 5 pm on the day of bidding.

iii. The Designated Intermediaries shall be permitted to use the re-initiation of Application option only once.

d. **Acceptance of the UPI Mandate**

i. An Applicant will be required to accept the UPI Mandate by 5:00 pm on the third Working Day from the day of bidding on the Stock Exchange platform except for the last day of the Issue Period or any other modified closure date of the Issue Period in which case, they shall be required to accept the UPI Mandate by 5:00 pm of the next Working Day. As the Company reserves the right to close the issue prior to the Issue Closing Date, hence is advisable that the Applicants should accept the UPI mandate by 5:00 pm on the Working Day subsequent to date of submission of the Application on BSE Direct.

ii. The transaction will be treated completed only after the UPI Mandate is accepted by the Applicant and the transaction is authorised by entering of their respective UPI PIN and successful blocking of fund through ASBA process by the Applicant's bank.

iii. If the Applicant fails to accept the mandate within stipulated timelines, their Application will not be considered for allocation.

iv. Applicants are required to check the status of their Applications with regards to the UPI Mandate acceptance and blocking of fund in the UPI Report for completion of the transaction.

v. Please note that the display of status of acceptance of the UPI Mandate/fund blocking shall be solely based on the data received from the Sponsor Bank.

e. **Order book and T+1 Modification**

i. The order book will be available in the Debt module of the Stock Exchange in real time basis.

ii. An Applicant shall be allowed to modify selected fields such as their DP ID/Client ID or PAN (Either DP ID/Client ID or PAN can be modified but not both) on T+1 day for a validated bid.

f. **Applicant's responsibilities**

i. Applicants shall check the Issue details before making an Application.

ii. Applicants shall only be able to make an Application for an amount up to ₹5 lakh.

iii. Applicants shall have only UPI as the payment mechanism with ASBA.

iv. Applicants must check and understand the UPI Mandate acceptance and the fund blocking process before making an Application.

v. The receipt of SMS for UPI Mandate acceptance depends upon the system response/ integration of UPI on the Debt Public Issue System.

vi. Applicants must check their respective mobiles for an SMS or the mobile app, associated with the UPI ID linked bank account, for receipt of the UPI Mandate.

vii. Applicants must accept the UPI Mandate request within stipulated timelines.

viii. Applicants must note that the transaction will be treated completed only after the UPI Mandate is accepted by the Applicant and the transaction is authorised by entering of their respective UPI PIN and successful blocking of fund through ASBA process by the Applicant's bank.

vi. If the Applicant fails to accept the mandate within stipulated timelines, their Application will not be considered for allocation.

vii. Applicants are required to check the status of their Applications with regards to the UPI Mandate acceptance and blocking of fund in the UPI Report for completion of the transaction.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Manager, the Registrar to the Issue or the Stock Exchange shall not be liable or responsible in the event an Applicant fails to receive the UPI Mandate acceptance request on their mobile or they fail to accept the UPI Mandate within the stipulated time period or due to any technical/other reasons.

Process of Registration and Application on BSE Direct Platform/Mobile App

a. **Process of Registration for Investor**

i. To make an Application on the BSE Direct platform/ mobile app an Applicant is required to register themselves with the platform/mobile app.
ii. At the time of registration, the Applicant shall be required to select the option of "New Registration Without Broker" and enter their respective PAN along with details of their demat account (i.e., DP ID and Client ID) and UPI ID.
iii. The Stock Exchange shall verify the PAN and demat account details entered by the Applicant with the Depository, within one Working Day.
iv. The Applicant shall be required to accept the terms and conditions and also enter the correct 'One Time Password' ("**OTP**") sent on their respective mobile phones and email IDs to complete the registration process.
v. Upon the successful OTP confirmation, the Applicant's registration request shall be accepted, and a reference number shall be provided to them for checking their registration status.
vi. At the time of demat account verification, the Stock Exchange shall also validate Applicant's client type (investor category) present in demat account.
vii. An Applicant's registration shall be rejected if an incorrect investor category and/or demat account details have been entered.
viii. Post the verification of the demat account, the Stock Exchange shall activate the Applicant's profile for making an Application and also provide a user ID (which is PAN) and password for login onto the BSE Direct platform.
ix. An Applicant shall be able to view their respective details including their demat account, by accessing the tab 'My Profile'.
x. To modify their details, an Applicant must login to the BSE Direct portal and click on 'My profile'.
xi. The Stock Exchange shall revalidate the modified details with Depository.
xii. No modification request shall be accepted during the Issue Period if the Applicant has made an Application in the Issue.
xiii. To re-generate a new password, the Applicant can use the 'Forget Password' option.
xiv. Existing investors who are already registered for "GSEC AND T-Bills investment", can also use the facility for applying in the Issue by using the UPI Mechanism for blocking of funds for Applications with a value up to ₹5 lakh.

b. **Process to place Bid via BSE Direct platform/ mobile app**

i. The Issue, during the Issue Period, shall be opened for subscription and will be available for making an Application through the BSE Direct platform/ mobile app.
ii. Upon successful login, an Applicant can select the Issue to make an Application.
iii. The details of PAN and DP ID and Client ID will be populated based on the registration done by the Applicant.
iv. Before submission of the Application, an Applicant would be required to create a UPI ID with a maximum length

of 45 characters including the handle (Example: investorId@bankname)

v. An Applicant shall be required to enter a valid UPI ID, in the UPI ID field.
vi. An Applicant must select the series/option along with number of NCDs being applied for in the Issue.
vii. Applicants must check the Issue details before making an Application.
viii. Applicant will only be able to make an Application for an amount of up to ₹5 lakh.
ix. Applicants shall only have UPI as a payment mechanism with ASBA.
x. Applicants must check and understand the UPI Mandate acceptance and blocking of fund process before making an Application.

For details of the blocking process post the Application details being entered into the bidding platform of the Stock Exchange, see "*Issue Procedure- Submission of Applications - for Applications under the UPI Mechanism*" on page 271.

c. **SMS from the Exchange**

i. Post completion of the blocking process, the Stock Exchange shall send an SMS to the Applicant regarding submission of the Application at the end of day, during the Issue Period and for the last day of the Issue Period, the SMS shall be sent the next Working Day.

d. **Modification and Cancellation of Orders**

i. An Applicant shall not be allowed to add or modify the bid(s) of the Application except for modification of either DP ID/Client ID, or PAN but not both.
ii. An Applicant can withdraw the bid(s) submitted under a single Application and reapply. However, part cancellation of bid in a single Application is not permitted.

e. **Re-initiation of Bid**

i. If the Applicant has not received the UPI Mandate vide an SMS or on the mobile app, associated with the UPI ID linked bank account, they will have the option to re-initiate the bid which is pending for confirmation, after the lapse of reasonable time.
ii. The Designated Intermediaries shall be permitted to use the re-initiation of Application option only once.

For details of the process of the UPI Mandate acceptance, see "*Issue Procedure- Operational Instructions and Guidelines – Acceptance of the UPI Mandate*" on page 265.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Manager, the Registrar to the Issue or the Stock Exchange shall not be liable or responsible in the event an Applicant fails to receive the UPI Mandate acceptance request on their mobile or they fail to accept the UPI Mandate within the stipulated time period or due to any technical/other reasons. Since the process of making an Application through BSE Direct is based on notifications issued by the Stock Exchange, Applicants are requested to check the website of the Stock Exchange for any further notifications by the Stock Exchange amending, supplementing, updating or revising the process of Applications through BSE Direct.

APPLICATIONS FOR ALLOTMENT OF NCDs

Details for Applications by certain categories of Applicants including documents to be submitted are summarized below.

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However, the overall exposure in HFCs shall not exceed the sector exposure limit 20% of the net assets of the scheme. Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a mutual fund

shall clearly indicate the name of the concerned scheme for which Application is being made. In case of Applications made by Mutual Fund registered with SEBI, a certified copy of their SEBI registration certificate must be submitted with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non- Banking Financial Company, a non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than five hundred crore rupees as per the last audited financial statements can apply in this Issue based on their own investment limits and approvals. The Application Form must be accompanied by a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements and a net worth certificate from its statutory auditor(s). Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Application by commercial banks, co-operative banks and regional rural banks

Commercial banks, co-operative banks and regional rural banks can apply in this Issue based on their own investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making Applications on their own account using ASBA Facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making Application in public issues and clear demarcated funds should be available in such account for applications.

Application by Insurance Companies

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority of India ("**IRDAI**"), a certified copy of certificate of registration issued by IRDAI must be lodged along with Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefore.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time to time including the IRDA (Investment) Regulations, 2000.

Application by Indian Alternative Investment Funds

Applications made by Alternative Investment Funds eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by certified true copies of SEBI registration certificate. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefor.

Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by 'Associations of Persons' and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Public Financial Institutions or Statutory Corporations, which are authorised to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorised person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Provident Funds, Pension Funds, Superannuation Funds and Gratuity Fund, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of incorporation/ registration under any act/rules under which they are incorporated. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Fund

The Application must be accompanied by certified true copies of: (i) resolution authorising investment and containing operating instructions; and (ii) specimen signature of authorized person. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of the registration under the act/ rules under which they are incorporated. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Indian Scientific and/or industrial research organizations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of the registration under the act/ rules under which they are incorporated. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

The Application must be accompanied by certified true copies of certified copy of certificate of the partnership deed or registration issued under the Limited Liability Partnership Act, 2008, as applicable. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney by Applicants who are Institutional Investors or Non-Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants, a certified copy of the power of attorney must be submitted with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor. Our Company, in its absolute discretion, reserves the

right to relax the above condition of attaching the power of attorney with the Application Forms subject to such terms and conditions that our Company and the Lead Manager may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his/ her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

APPLICATIONS FOR ALLOTMENT OF NCDs

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Manager and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our Directors, affiliates, associates and their respective directors and officers, the Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications (including Applications under the UPI Mechanism) accepted by and/or uploaded by and/or accepted but not uploaded by Trading Members, registered brokers, CDPs, RTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs or failure to block the Application Amount under the UPI Mechanism. It shall be presumed that for Applications uploaded by SCSBs (other than UPI Applications), the Application Amount payable on Application has been blocked in the relevant ASBA Account and for Applications by UPI Investors under the UPI Mechanism, uploaded by Designated Intermediaries, the Application Amount payable on Application has been blocked under the UPI Mechanism.

The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (https://www.sebi.gov.in) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (https://www.sebi.gov.in) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of registered brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the website of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the registered brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Submission of Applications

Applications can be submitted through either of the following modes:

(a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the Application Form, prior to uploading such Application into the electronic system of the Stock Exchange. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchange. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application.
In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

(b) Physically through the Designated Intermediaries at the respective Collection Centres. Kindly note that above Applications submitted to any of the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the Application Form, has not named at least one branch at that Collection Center where the Application Form is submitted (a list of such branches is available at https://www.sebi.gov.in).

(c) A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is up to ₹5 lakh, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism.

(d) A UPI Investor may also submit the Application Form for the Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchange. Post which:

(i) ***for Applications other than under the UPI Mechanism*** – the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at https://www.sebi.gov.in). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form.

(ii) ***for Applications under the UPI Mechanism*** – once the Application details have been entered in the bidding platform through Designated Intermediaries or BSE Direct, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of the Applicant with the Depository. The Depository shall validate the PAN and Demat account details and send response to the Stock Exchange which would be shared by the Stock Exchange with the relevant Designated Intermediary through its platform, for corrections, if any. Post uploading of the Application details on the Stock Exchange's platform, the Stock Exchange shall send an SMS to the Applicant regarding submission of the Application. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with the Applicants UPI ID, with the Sponsor Bank appointed by our Company. The Sponsor Bank shall then initiate a UPI Mandate Request on the Applicant. The request raised by the Sponsor Bank, would be electronically received by the Applicant as an SMS or on the mobile app, associated with the UPI ID linked bank account. The Applicant shall then be required to authorise the UPI Mandate Request. Upon successful validation of block request by the Applicant, the information would be electronically received by the Applicants' bank, where the funds, equivalent to Application Amount, would get blocked in the Applicant's ASBA Account. The status of block request would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the Designated Intermediary.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/failure of this Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

(a) Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries at the respective Collection Centres; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchange at least one day prior to the Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchange at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that this Draft Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

(b) The Designated Branches of the SCSBs shall accept Application Forms directly from Applicants only during the Issue Period. The SCSBs shall not accept any Application Forms directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 44. Physical Application Forms directly submitted to SCSBs should

bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that Applicants can make an Application for Allotment of NCDs in the dematerialised form only.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;
- All Applicants need to tick the Series of NCDs in the Application Form that they wish to apply for. Applications for all the Series of the NCDs may be made in a single Application Form only.
- Application Forms must be completed in **BLOCK LETTERS IN ENGLISH**, as per the instructions contained in this Draft Prospectus and the Application Form;
- If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names;
- It shall be mandatory for subscribers to the Issue to furnish their PAN and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction;
- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialised form) and Applications should be made by Karta in case the Applicant is an HUF. The Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. Please ensure that such Applications contain the PAN of the HUF and not of the Karta;
- Applicants must provide details of valid and active DP ID, Client ID and PAN, clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchange by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs
- Applications must be for a minimum of 10 NCDs and in multiples of one NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 NCDs, an Applicant may choose to apply for 10 NCDs of the same option or across different option;
- If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form;
- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;
- All Applicants are required to ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Collection Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediary/Designated Branch of the SCSB;
- The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Acknowledgement Slip. This Acknowledgement Slip will serve as the duplicate of the Application Form for the records of the Applicant;
- Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be;
- All Applicants are required to check if they are eligible to apply as per the terms of this Draft Prospectus and applicable law, rules, regulations, guidelines and approvals;
- Every Applicant should hold valid Permanent Account Number and mention the same in the Application Form;
- All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form;
- All Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected;

- A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be; and
- In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchange, the Applicants should ensure that they have first withdrawn their original Application and submit a fresh Application.

The option, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for Allotment.

Applicants should note that neither the Designated Intermediaries nor the SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

B. Applicant's Beneficiary Account Details

Applicants must mention their DP ID, Client ID and UPI ID (wherever applicable) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID, PAN and UPI ID (wherever applicable) mentioned in the Application Form and entered into the electronic system of the Stock Exchange do not match with the DP ID, Client ID, PAN and UPI ID (wherever applicable) available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected. Further, Application Forms submitted by Applicants whose beneficiary accounts are inactive, will be rejected.

On the basis of the Demographic Details as appearing on the records of the DP, the Registrar to the Issue will take steps towards demat credit of NCDs. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in demat credit and neither our Company, Designated Intermediaries, SCSBs, Registrar to the Issue nor the Stock Exchange will bear any responsibility or liability for the same.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of power of attorney to request the Registrar that for the purpose of printing particulars on the Allotment Advice, the Demographic Details obtained from the Depository of the Applicant shall be used.

By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue. Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Registrar to the Issue, Public Issue Account Bank, Sponsor Bank nor the Lead Manager shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Draft Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the parameters, namely, DP ID, Client ID, PAN and UPI ID (wherever applicable) then such Application are liable to be rejected.

C. Permanent Account Number

The Applicant should mention his or her Permanent Account Number allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir-05/2007

dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. **Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.**

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN Field i.e., either Sikkim category or exempt category.

D. Joint Applications

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications all interest / redemption amount payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

E. Additional/Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other option of NCDs, subject to a minimum Application size as specified in this Draft Prospectus and in multiples of thereafter as specified in this Draft Prospectus. **Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected**. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹5 lakh shall be deemed such individual Applicant to be an HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the Basis of Allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under this Issue, Applications shall be grouped based on the PAN, i.e., Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Process for investor application submitted with UPI as mode of payment

a. Before submission of the application with the intermediary, the investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).

b. An investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.

c. The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.

d. Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.

e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

f. Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.

g. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.

h. The Sponsor Bank shall initiate a mandate request on the investor

i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.

j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.

k. An investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.

l. An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.

m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 day till 1 PM.

n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.

o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.

p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.

q. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.

r. Post closure of the offer, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

s. The allotment of NCDs shall be done as per SEBI Master Circular

t. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.

v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.

w. Thereafter, Stock Exchange will issue the listing and trading approval.

x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 the investor shall also be responsible for the following:

i. Investor shall check the Issue details before placing desired bids;

ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;

iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/ integration of UPI on Debt Public Issue System;

iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;

v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;

vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and

vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

y. The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 before investing through the through the app/ web interface of Stock Exchange(s).

Do's and Don'ts

Applicants are advised to take note of the following while filling and submitting the Application Form:

Do's

1. Check if you are eligible to apply as per the terms of this Draft Prospectus and applicable law, rules, regulations, guidelines and approvals.

2. Read all the instructions carefully and complete the Application Form in the prescribed form.

3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to this Issue.

4. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID, Client ID, PAN and UPI ID (wherever applicable) are correct and the depository account is active as Allotment of the Equity Shares will be in dematerialized form only. The requirement for providing Depository Participant details is mandatory for all Applicants.

5. Ensure that you have mentioned the correct ASBA Account number (for all Applicants other than UPI Investors applying using the UPI Mechanism) in the Application Form. Further, UPI Investors using the UPI Mechanism must also mention their UPI ID.

6. UPI Investors applying using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking, is certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries.

7. UPI Investors applying using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected.

8. Ensure that the Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) in case the Applicant is not the ASBA account holder. Applicants (except UPI Investors making an Application using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Application Form. UPI Investors applying using the UPI Mechanism should ensure that they have mentioned the correct UPI- linked bank account number and their correct UPI ID in the Application Form.

9. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be.

10. UPI Investors making an Application using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to Application Amount and subsequent debit of funds in case of Allotment, in a timely manner.

11. UPI Investors making an Application using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using their UPI PIN. Upon the authorization of the mandate using their UPI PIN, the UPI Investor may be deemed to have verified the attachment containing the application details of the UPI Investor making and Application using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to issue a request to block the Application Amount mentioned in the ASBA Form in their ASBA Account.

12. UPI Investors making an Application using the UPI Mechanism should mention valid UPI ID of only the Applicants (in case of single account) and of the first Applicant (in case of joint account) in the ASBA Form.

13. UPI Investors making an Application using the UPI Mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in their account and in case of Allotment in a timely manner.

14. Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Collection Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediary/Designated Branch of the SCSB.

15. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Collection Centre.

16. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form.

17. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

18. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta.

19. Ensure that the Applications are submitted to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 44.

20. **Permanent Account Number:** Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

21. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of

the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

22. All Applicants should choose the relevant option in the column "Category of Investor" in the Application Form.

23. Choose and mark the option of NCDs in the Application Form that you wish to apply for.

In terms of SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for Applications.

Don'ts:

1. Do not apply for lower than the minimum Application size.

2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest.

3. Do not send Application Forms by post. Instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be.

4. Do not submit the Application Form to any non-SCSB bank or our Company.

5. Do not apply through an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.

6. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue Size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.

7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

8. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (wherever applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue.

9. Do not submit the Application Form without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account or in the case of UPI Investors making and Application using the UPI Mechanism, in the UPI-linked bank account where funds for making the Application are available.

10. Do not submit Applications on plain paper or on incomplete or illegible Application Forms.

11. Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

12. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise.

13. Do not submit Applications to a Designated Intermediary at a location other than Collection Centres.

14. Do not submit an Application that does not comply with the securities law of your respective jurisdiction.

15. Do not apply if you are a person ineligible to apply for NCDs under this Issue including Applications by Persons Resident Outside India, NRI (inter-alia including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA).

16. Do not make an Application of the NCD on multiple copies taken of a single form.

17. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue.

18. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Investors using the UPI Mechanism.

19. Do not submit more than five Application Forms per ASBA Account.

20. Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI.

21. If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID.

Please also see "*Issue Procedure- Operational Instructions and Guidelines – Applicant's Responsibilities*" on page 265.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries, to deposit such Application Forms (A list of such branches is available at https://www.sebi.gov.in).

SEBI Master Circular stipulates the time between closure of the Issue and listing at 6 (six) Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Please see "*Issue Procedure- Rejection of Applications*" on page 282 for information on rejection of Applications.

TERMS OF PAYMENT

The Application Forms will be uploaded onto the electronic system of the Stock Exchange and deposited with the relevant branch of the SCSB at the Collection Centres, named by such SCSB to accept such Applications from the Designated Intermediaries, as the case may be (a list of such branches is available at https://www.sebi.gov.in).

For Applications other than those under the UPI Mechanism, the relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the Application. For Applications under the UPI Mechanism, i.e., up to ₹5 lakh, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of the Applicant with the Depository. The Depository shall validate the PAN and Demat account details and send response to the Stock Exchange which would be shared by the Stock Exchange with the relevant Designated Intermediary through its platform, for corrections, if any. The blocking of funds in such case (not exceeding ₹5 lakh) shall happen under the UPI Mechanism.

The entire Application Amount for the NCDs is payable on Application only. The relevant SCSB shall block an amount equivalent to the entire Application Amount in the ASBA Account at the time of upload of the Application Form. In case of Allotment of lesser number of NCDs than the number applied, the Registrar to the Issue shall instruct the SCSBs or the Sponsor Bank (as the case maybe) to unblock the excess amount in the ASBA Account.

For Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application, before entering the Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

For Applications submitted under the UPI Mechanism, post the successful validation of the UPI Mandate Request by the Applicant, the information would be electronically received by the Applicants' bank, where the funds, equivalent to Application Amount, would get blocked in the Applicant's ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the Application. An Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

A UPI Investor applying through the UPI Mechanism should ensure that, they check the relevant SMS generated for the UPI Mandate Request and all other steps required for successful blocking of funds in the UPI linked bank account,

which includes accepting the UPI Mandate Request by 5:00 pm on the third Working Day from the day of bidding on the Stock Exchange (except on the last day of the Issue Period, where the UPI Mandate Request not having been accepted by 5:00 pm of the next Working Day), have been completed.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs or the Sponsor Bank (in case of Applications under the UPI Mechanism) on the basis of the instructions issued in this regard by the Registrar to the respective SCSB or the Sponsor Bank, within six Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of this Issue or until rejection of the Application, as the case may be.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
ASBA Applications	(i) If using physical Application Form, (a) to the Designated Intermediaries at relevant Collection Centres, or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (ii) If using electronic Application Form, to the SCSBs, electronically through internet banking facility, if available.
Applications under the UPI Mechanism	(i) Through the Designated Intermediary, physically or electronically, as applicable; or (ii) Through BSE Direct.

No separate receipts will be issued for the Application Amount payable on submission of Application Form. However, the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants an Acknowledgement Slips which will serve as a duplicate Application Form for the records of the Applicant.

Electronic Registration of Applications

(a) The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications (including those under the UPI Mechanism) using the on-line facilities of the Stock Exchange. The Members of Syndicate, our Company and the Registrar to the Issue or the Lead Manager is not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, (v) any Applications accepted and uploaded and/or not uploaded by the Trading Members of the Stock Exchange or (vi) any Application made under the UPI Mechanism, accepted or uploaded or failed to be uploaded by a Designated Intermediary or through the app/web based interface of the Stock Exchange and the corresponding failure for blocking of funds under the UPI Mechanism.

In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the option, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for Allotment/rejection of Application.

(b) The Stock Exchange will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of Designated Intermediaries and the SCSBs during the Issue Period. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on this Issue Closing Date. On the Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock

Exchange. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 44.

(c) With respect to Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Option of NCDs applied for
- Number of NCDs Applied for in each option of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Location
- Application amount

(d) With respect to Applications submitted to the Designated Intermediaries, at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Option of NCDs applied for
- Number of NCDs Applied for in each option of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Location

- Application amount

(e) A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.

(f) Applications can be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect.

(g) The permission given by the Stock Exchange to use its network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchange

(h) **Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for allocation/ Allotment**. The Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate the Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

Applications would be liable to be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or the Debenture Committee thereof, reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

(a) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Applications by persons prohibited from buying, selling or dealing in securities, directly or indirectly, by SEBI or any other regulatory authority;

(c) Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicants' ASBA Account maintained with an SCSB;

(d) Applications not being signed by the sole/joint Applicant(s);

(e) Investor Category in the Application Form not being ticked;

(f) Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may Allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;

(g) Applications where a registered address in India is not provided for the non-Individual Applicants;

(h) In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s);

(i) Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;

(j) PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian when PAN of the Applicant is not mentioned;

(k) DP ID, Client ID or UPI ID (wherever applicable) not mentioned in the Application Form;

(l) GIR number furnished instead of PAN;

(m) Applications by OCBs;

(n) Applications for an amount below the minimum Application size;

(o) Submission of more than five ASBA Forms per ASBA Account;

(p) Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;

(q) Applications under power of attorney or by limited companies, corporate, trust etc. submitted without relevant documents;

(r) Applications accompanied by stock invest/ cheque/ money order/ postal order/ cash;

(s) Signature of sole Applicant missing, or in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);

(t) Applications by persons debarred from accessing capital markets, by SEBI or any other appropriate regulatory authority;

(u) Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant;

(v) Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;

(w) Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediary, as the case may be;

(x) ASBA Applications not having details of the ASBA Account or the UPI-linked Account to be blocked;

(y) In case no corresponding record is available with the Depositories that matches the parameters namely, DP ID, Client ID, UPI ID and PAN;

(z) Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;

(aa) SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;

(bb) Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;

(cc) Authorization to the SCSB for blocking funds in the ASBA Account not provided;

(dd) Applications by any person outside India;

(ee) Applications not uploaded on the online platform of the Stock Exchange;

(ff) Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;

(gg) Application Forms not delivered by the Applicant within the time prescribed as per the Application Form, this Draft Prospectus and as per the instructions in the Application Form and this Draft Prospectus;

(hh) Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

(ii) Applications providing an inoperative demat account number;

(jj) Applications submitted to the Designated Intermediaries other than the Collection Centres or at a Branch of a SCSB which is not a Designated Branch;

(kk) Applications submitted directly to the Public Issue Bank (except in case the ASBA Account is maintained with the said bank as a SCSB);

(ll) Investor category not ticked;

(mm) In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;

(nn) A UPI Investor applying through the UPI Mechanism, not having accepted the UPI Mandate Request by 5:00 pm on the third Working Day from the day of bidding on the stock exchange except on the last day of the Issue Period, where the UPI Mandate Request not having been accepted by 5:00 pm of the next Working Day; and

(oo) A non-UPI Investor making an Application under the UPI Mechanism, i.e., an Application for an amount more than ₹5 lakh.

(pp) Kindly note that Applications submitted to the Lead Manager, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Manager, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit Applications.

For information on certain procedures to be carried out by the Registrar to the Issue for finalization of the Basis of Allotment, please see "*Information for Applicants*" below.

Information for Applicants

Upon the closure of the Issue, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchange and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID, UPI ID (where applicable) and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database and prepare list of technical rejection cases. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such Applications or treat such Applications as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Mode of making refunds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within 5 (five) Working Days of the Issue Closing Date.

Our Company and the Registrar shall credit the allotted NCDs to the respective beneficiary accounts, within 5 (five) Working Days from the Issue Closing Date.

Further,

a. Allotment of NCDs in the Issue shall be made within a time period of 4 (four) Working Days from the Issue Closing Date;

b. Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;

c. Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund has not been effected within 5 (five) Working Days from the Issue Closing Date, for the delay beyond 5 (five) Working Days; and

d. Our Company will provide adequate funds to the Registrar for this purpose

BASIS OF ALLOTMENT

Basis of Allotment for NCDs

The Registrar will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchange and determine the valid Application for the purpose of drawing the basis of allocation.

Allocation Ratio

The Registrar will aggregate the Applications based on the Applications received through an electronic book from the Stock Exchange and determine the valid applications for the purpose of drawing the basis of allocation. Grouping of the application received will be then done in the following manner:

Grouping of Applications and Allocation Ratio: Applications received from various applicants shall be grouped together on the following basis:

(a) *Applications received from Category I applicants:* Applications received from Category I, shall be grouped together, **("*Institutional Portion*")**;

(b) *Applications received from Category II applicants:* Applications received from Category II, shall be grouped together, **("*Non-Institutional Portion*")**;

(c) *Applications received from Category III applicants:* Applications received from Category III, shall be grouped together, **("*Retail Individual Portion*")**.

For removal of doubt, "***Institutional Portion***", "***Non-Institutional Portion***" and "***Retail Individual Portion***" are individually referred to as "***Portion***" and collectively referred to as **"*Portions*".**

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be Allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in the Issue up to ₹10,000 lakh. The aggregate value of NCDs decided to be allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in the Issue), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the **"*Overall Issue Size*".**

Basis of Allotment for NCDs

Allotments in the first instance:

(i) Applicants belonging to the Category I, in the first instance, will be allocated NCDs up to 10% of overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Lead Manager and their respective affiliates/SCSB (Designated Branch or online acknowledgement));
(ii) Applicants belonging to the Category II, in the first instance, will be allocated NCDs up to 40% of Overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Members of the Syndicate/Trading Members/SCSB (Designated Branch or online acknowledgement));

(iii) Applicants belonging to the Category III, in the first instance, will be allocated NCDs up to 50% of Overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Members of the Syndicate/Trading Members/SCSB (Designated Branch or online acknowledgement));

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e., a first-come first-serve basis, based on the date of upload of each Application in to the electronic book with Stock Exchange, in each Portion subject to the Allocation Ratio. However, on the date of oversubscription, the Allotments would be made to the Applicants on proportionate basis.

(a) Under Subscription:
Under subscription, if any, in any Portion, priority in Allotments will be given in the following order:

(i) Individual Portion

(ii) Non-Institutional Portion and Resident Indian individuals and Hindu undivided families through the Karta applying who apply for NCDs aggregating to a value exceeding ₹ 5 lakh;

(iii) Institutional Portion

(iv) on a first come first serve basis.

Within each Portion, priority in Allotments will be given on a first-come-first-serve basis, based on the date of upload of each Application into the electronic system of the Stock Exchange.

For each Portion, all Applications uploaded into the electronic book with the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where Applications uploaded into the Platform of the Stock Exchange on a particular date exceeds NCDs to be allotted for each Portion, respectively.

Minimum allotment of [•] NCD and in multiples of 1 (one) NCD thereafter would be made in case of each valid Application.

(b) Allotments in case of oversubscription:

In case of an oversubscription, Allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full Allotment of NCDs to the valid Applicants on a first come first serve basis for forms uploaded up to 5 pm of the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the valid Applicants on the date of oversubscription (based on the date of upload of the Application on the Stock Exchange Platform, in each Portion). In case of over subscription on date of opening of the Issue, the Allotment shall be made on a proportionate basis. Applications received for the NCDs after the date of oversubscription will not be considered for Allotment.

In view of the same, the Investors are advised to refer to the Stock Exchange website at www.bseindia.com for details in respect of subscription.

(c) Proportionate Allotments: For each Portion, on the date of oversubscription:

(i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer;

(ii) If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Issue Size, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference;

(iii) In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the Basis of Allotment is finalised by draw of lots in a fair and equitable manner; and

(iv) The total Allotment under Option [•] to Option [•] of the NCDs shall not exceed a value more than ₹10,000 lakh.

(d) Applicant applying for more than one Options of NCDs:

If an Applicant has applied for more than one Options of NCDs, and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for due to such Applications received on the date of oversubscription, the option-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each option, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with Lead Manager and Designated Stock Exchange.

In cases of odd proportion for Allotment made, our Company in consultation with the Lead Manager will Allot the residual NCD (s) in the following order:

(i) first with monthly interest payment in decreasing order of tenor i.e., Options [•];

(ii) followed by payment on cumulative options in decreasing order of tenor i.e., Options [•].

Hence using the above procedure, the order of Allotment for the residual NCD(s) will be: [•].

All decisions pertaining to the Basis of Allotment of NCDs pursuant to the Issue shall be taken by our Company in consultation with the Lead Manager, and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Draft Prospectus.

Our Company would allot Option [•] NCDs to all valid applications, wherein the Applicants have not indicated their choice of the relevant options of the NCDs.

Valid applications where the Application Amount received does not tally with or is less than the amount equivalent to value of number of NCDs applied for, may be considered for Allotment, to the extent of the Application Amount paid rounded down to the nearest ₹1,000 in accordance with the pecking order mentioned above.

Retention of oversubscription

Our Company shall have an option to retain over-subscription up to the Issue limit.

Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications

The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB or the Sponsor Bank (for Applications under the UPI Mechanism), as applicable, to unblock the funds in the relevant ASBA Account/UPI linked bank account, for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

ISSUANCE OF ALLOTMENT ADVICE

Our Company shall ensure dispatch/and/or mail the Allotment Advice within 6 (six) Working Days of the Issue Closing Date to the Applicants. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 6 (six) Working Days of the Issue Closing Date.
Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchange where the NCDs are proposed to be listed are taken within six Working Days from the Issue Closing Date.

Application Amount shall be unblocked within 15 (Fifteen) Working Days from the Issue Closing Date or such lesser time as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts or the UPI linked bank accounts (for Applications under the UPI Mechanism) of the Applicants forthwith, failing which interest shall be due to be paid to the Applicants at the rate of 15% per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

OTHER INFORMATION

Withdrawal of Applications during the Issue Period

Applicants can withdraw their Applications until the Issue Closing Date. In case an Applicant wishes to withdraw the Application during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite.

In case of Applications (other than under the UPI Mechanism) were submitted to the Designated Intermediaries, upon receipt of the request for withdrawal from the Applicant, the relevant Designated Intermediary, as the case may be, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange and intimating the Designated Branch of the SCSB unblock of the funds blocked in the ASBA Account at the time of making the Application. In case of Applications (other than under the UPI Mechanism) submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange and unblocking of the funds in the ASBA Account, directly.

Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalisation of the Basis of Allotment.

Revision of Applications

As per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. Please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchange, by submitting a written request to the Designated Intermediary and the Designated Branch of the SCSBs, as the case may be. For Applications made under the UPI Mechanism, an Applicant shall not be allowed to add or modify the details of the Application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the Applicant may withdraw the Application and reapply.

However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/ modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange as per the procedures and requirements prescribed by the Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on the Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries and/ or the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL. Please also see, "*Issue Procedure - Operational Instructions and Guidelines – Modification and cancellation of orders*" on page 267.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL. Please note that Tripartite Agreements have been executed between our Company, the Registrar and both the depositories.

As per the provisions of the Depositories Act, 1996, the NCDs issued by us can be held in a dematerialised form. In this context:

(i) Tripartite agreement dated January 30, 2014 among our Company, the Registrar and CDSL and tripartite agreement dated February 5, 2014 among our Company, the Registrar and NSDL, respectively for offering depository option to the investors.

(ii) An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.

(iii) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.

(iv) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

(v) Non-transferable Allotment Advice will be directly sent to the Applicant by the Registrar to this Issue.

(vi) It may be noted that NCDs in electronic form can be traded only on the Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange has connectivity with NSDL and CDSL.

(vii) Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those Debenture Holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

(viii) The trading of the Secured NCDs on the floor of the Stock Exchange shall be in dematerialized form only.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGE SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

Allottees will have the option to re-materialize the NCDs Allotted under the Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Communications

All future communications in connection with Applications made in this Issue (except the Applications made through the Trading Members of the Stock Exchange) should be addressed to the Registrar to the Issue, quoting the full name of the sole or first Applicant, Application Form number, Applicant's DP ID and Client ID, Applicant's PAN, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of the Application Form, name and address of the Designated Intermediary or Designated Branch of the SCSBs, as the case may be, where the Application was submitted.

Applicants may contact our Compliance Officer and Company Secretary or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice or credit of NCDs in the respective beneficiary accounts, as the case may be.

Interest in case of delay

Our Company undertakes to pay interest, in connection with any delay in Allotment and demat credit, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Undertaking by the Issuer

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including SEBI nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of investors is invited to the statement of '*Risk factors*' on page 16.

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

or the expression of any such opinions or intentions misleading in any material respect.

The issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/offer document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed."

Our Company undertakes that:

(a) All monies received pursuant to this Issue shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013;

(b) Details of all monies utilised out of this Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies had been utilised;

(c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;

(d) Details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested;

(e) Undertaking by our Company for execution of the Debenture Trust Deed. Further, as per Regulation 18 of SEBI NCS Regulations, in the event our Company fails to execute the Debenture Trust Deed within a period specified under the said Regulation, our Company shall pay interest of at least 2% p.a. to each NCD Holder, over and above the agreed coupon rate, till the execution of the Debenture Trust Deed;

(f) We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deed as stated in this Draft Prospectus and the Prospectus, on receipt of the minimum subscription of 75% of the Base Issue i.e., ₹ 7,500 lakh and receipt of listing and trading approval from the Stock Exchange;

(g) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property business, dealing in equity of listed companies or lending/investment in group companies; and

(h) Application money shall be unblocked within six Working Days from the closure of this Issue or such lesser time as may be specified by SEBI, or else the Application money shall be refunded to the Applicants in accordance with applicable law, failing which interest shall be due to be paid to the Applicants for the delayed period, if applicable in accordance with applicable law.

(i) The allotment letter shall be issued, or application money shall be refunded in accordance with the Applicable Law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;

Other undertakings by our Company

Our Company undertakes that:

(a) Complaints received in respect of this Issue (except for complaints in relation to Applications submitted to Trading Members) will be attended to by our Company expeditiously and satisfactorily;

(b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;

(c) Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within six Working Days of this Issue Closing Date;

(d) Funds required for dispatch of Allotment Advice/NCD Certificates (only upon rematerialisation of NCDs at the specific request of the Allottee/ Holder of NCDs) will be made available by our Company to the Registrar to the Issue;

(e) Our Company will forward details of utilisation of the proceeds of this Issue, duly certified by the Statutory Auditor,

to the Debenture Trustee on a half-yearly basis;

(f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of this Issue as contained in this Draft Prospectus;

(g) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report;

(h) Our Company shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time; and

(i) The allotment of NCDs will be done on a first come, first serve basis. On the successful allotment of the NCDs, the issue proceeds will be released to the issuer to use in pursuance of the objects specified in this Draft Prospectus.

SECTION VIII - SUMMARY OF MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. In case of any inconsistency between the Articles of Association of our Company and the Companies Act, 1956 and Companies Act, 2013, the provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable, shall prevail over the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below:

THE COMPANIES ACT, 2013

ARTICLES OF ASSOCIATION

OF

MUTHOOTTU MINI FINANCIERS LIMITED

A COMPANY LIMITED BY SHARES

PRELIMINARY

The Regulations contained in Table "F" in the first Schedule to The Companies Act, 2013 shall apply to the Company except in so far as otherwise expressly incorporated hereinafter.

I INTERPRETATION

1. (1) In these regulations-

a) "the Act" means the Companies Act, 2013

b) "the seal" means the common seal of the Company

c) "Company" shall mean MUTHOOTTU MINI FINANCIERS LIMITED

2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

3. Unless clauses are not explicitly mentioned in these Articles of Association, the provisions set forth in the Act and the rules made thereunder will apply.

II SHARE CAPITAL AND VARIATION OF RIGHTS

1. (i) The authorized share capital of the company shall be as stated in clause V of the Memorandum of Association with power to increase or reduce, reconvert or subdivide the capital in accordance with the provisions of the Companies Act, 2013. Subject to the provisions of the Act and these Articles the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

(ii) Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 52, 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered which may so be allotted may be issued as fully paid up shares and if so issued,

shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

(iii) The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided under Section 56 of the Act.

(iv) Each share in the Company shall be distinguished by its appropriate number.

(v) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.

(vi) The Directors may, subject to the provisions of the Act, accept a surrender of any share or debenture from or by any member or debenture holder desirous of surrendering them on such terms as they think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the Memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of the issue shall be provided:-

a) One certificate for all his shares without payment of any charges, or

b) Several certificate each for one or more of his shares, upon payment of 20 Rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
(iv) Notwithstanding anything contained in the Act or these Articles, the Board of Directors are empowered without any prior sanction of the members to dematerialize and rematerialize the securities of the Company and issue/allot fresh securities in dematerialized form. The Board of Directors is also empowered to determine the terms and conditions thereof pursuant to the provisions of the Depositories Act, 1996 and Rules framed thereunder.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize(even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or(except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by subsection 6 of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.

(ii) The rate or the amount of the commission shall not exceed the rate or amount prescribed in rules made under Subsection 6 of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of 3/4th of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least 2 persons holding at least 1/3rd of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

8. (i) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

(ii) The Company may issue preference shares subject to the provision of Section 55 of the Act, and also issue preference shares which are liable to be redeemed within a period not exceeding twenty years from the date of the issue subject to provisions of Section 55(2) of the Act.

LIEN

9. (i) The company shall have a first and paramount lien-

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by the or his estate to the Company;

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of the clause.

(ii) The company's lien, if any, on a share shall extent to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made –

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of their nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no calls shall exceed one fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, paid to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

(iv) The Company many by a special resolution accept from any member the whole or part of the amount remaining unpaid on any shares held by him even if no part of that amount has been called up.

(v) A member of the company limited by shares shall not be entitled to any voting rights in respect of the amount paid by him under clause (iv) above until such amount has been called up.

(vi). The members shall have the right to renounce the shares offered under Rights issue by the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board approving such call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 10% per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of nonpayment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board –

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, 12% p.a., as may be agreed upon between the board and the member paying the sum in advance.

TRANSFER OF SHARES

19. (i) The instrument of transfer of any shares in the company shall be executed by or on behalf of both the transferor and the transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register-

(a) The transfer of a share, not being a fully paid share, to a person who in their opinion is not desirable in the interest of the Company to be admitted to the membership; or

(b) Any transfer of shares on which the company has a lien; or if the number of members exceeds the limit prescribed under the Articles.

21. The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56; (b) the instrument of transfer is accompanied by the certificate of the shares, to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
(b) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) if the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

27. Any money due from the company to a shareholder may with or without the consent of such shareholder be applied by the Company in or towards the payment of any money due from him and for the later money the Company shall have a first lien on all shares held by such holder and on dividends accruing thereon, with full power of sale in respect of the shares subject to any lien.

FORFEITURE OF SHARES

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall-

(a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(iii) The transferee shall thereupon be registered as the holder of the share.

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) Its share capital;

(b) Any capital redemption reserve account; or

(c) Any share premium account.

CAPITALISATION OF PROFIT

39. (i) the company in general meeting may, upon the recommendation of the Board, resolve-

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) the sum aforesaid shall not be paid in cash but shall be applied, subject to the provision, either in or towards—

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid;

(c) Partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) Generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

b) To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY BACK OF SHARES

41. (i) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

(ii) The Company may buy back it's securities subject to the extent provisions of the Act.

GENERAL MEETINGS

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

44. (i)No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

48. The resolution required to be passed at the general meeting of the Company shall be passed as a special resolution or ordinary resolution as the case may be, under the extent provisions of the Act.

ADJOURNMENT OF MEETING

49. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) On a show of hands, every member present in person shall have one vote; and

(b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

54. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

(iii) No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien, subject to the extent provisions of the Act.

PROXY

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

60. (a) The number of Directors shall not be less than three and not more than fifteen.

(b) The following shall be the First Directors of the Company -

1. Shri Roy M Mathew
2. Shri M Mathew
3. Smt. Sosamma Mathew
4. Smt. Nizzy Mathew

(c) Two-thirds of the total number of Directors shall be persons whose period of office is liable to be determined by retirement of Directors by rotation. One-third of such Directors for the time being are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office at every Annual General Meeting as per the extent provisions of the Act. Independent Directors and Nominee Directors are not liable to retire by rotation.

Subject to the extent provisions of the Act,
(1) The Board of Directors has the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.
(2) The Board of Directors of a company may, appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India.
(3) Subject to the articles of a company, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

(iii) The Directors may also be paid sitting fees as decided by the Board from time to time within the limit prescribed by the Act as per rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66.
(i)The Board may, from time to time exercise its powers, subject to the provision of Section 179 & 180 of the Act.

(ii) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(iii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio-visual means which are capable of recording and recognizing the participation of the Director(s) and of recording and storing the proceedings of such meetings along with date and time.

(iii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.

71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

72. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

73. (i) a committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

76. (i) During the absence of any director for a period of not less than 3 months from India, - the board may appoint any person other than a person who is holding a directorship as an alternate director, in place of the director who has left India and the so appointed director shall hold office until the original director returns to India or until his term ends.

(ii) In the event of the Company borrowing any money from any Financial Corporation or Institution or Government Body or any collaborator, Banks, person or persons or any other loan giving agency or source while any money remains due to them, or any of them the said Corporation, Institution or the Government body or the financier or collaborator or Bank as the case may be shall have and may exercise the rights and powers to appoint from time to time any person or persons to be a director or directors of the Company and that such directors shall not be liable to retire by rotation subject to the limits prescribed under the Companies Act. Any person so appointed may at any time be removed from office by the appointing authority who may from to time of such removal or in case of death or resignation of the person, appoint any other or others in his place. Any such appointment or removal shall be in writing signed by the appointer and served on the Company.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER.

77. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

79. (i) The Board shall provide for the safe custody of the seal.
(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Further the Company may pay dividends in proportion to the amount paid up on each share.

81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company:

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who, is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

88. No dividend shall bear interest against the company.

ACCOUNTS

89. (i) The Board shall from time to time determine whether and to what extend and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by Law or authorized by the Board or by the Company in General Meeting.

WINDING UP

90. Subject to the provisions of Chapter XX of the Act and rules made there under—
(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in-specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

91. (i) Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.
(ii) If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

OTHERS

92. Appointment of Nominee Director by Debenture Trustee

(i) Notwithstanding anything to the contrary contained in these Articles so long as any moneys remain owing by the company towards the debenture holders, the debenture trustee(s) shall have right to appoint a nominee director ("Nominee Director")to the Board of the company who shall be a person not disqualified from being appointed as a director under the provisions of the

Companies Act, 2013, and the SEBI (Debenture Trustee) Regulations, 1993 and other applicable law and whose office is not capable of being vacated by retirement or by rotation.

(ii) The Nominee Director shall be appointed only under the circumstances as may be set out in the relevant debenture trust deed(s), as may be amended from time to time, executed inter alia between the company and the debenture trustee(s) or in case of occurrence of any of the following events:

a) Two consecutive defaults in payment of interest to the debenture holders; or

b) Default on redemption of the debentures; or

c) Default in creation of security for debentures, if any.

(iii) Such Nominee Director shall –

a) not be liable to retire by rotation nor required to hold any qualification shares;

b) be entitled to all the rights and privileges of other directors including the sitting fees and expenses as payable to other directors;

c) be appointed a member of all the key committees of the Board, if so desired by the debenture trustee(s); and

d) be entitled to receive all notices, agenda, etc. and to attend all general meetings and meeting of the Board of Directors and meetings of any committees of the Board of which he is a member.

e) Any expenditure incurred by debenture trustee(s), debenture holders or the Nominee Director in connection with his appointment of directorship shall be borne and payable by the Company.

f) If, at any time, the Nominee Director is not able to attend a meeting of the Board of Directors or any of its committees of which he is a member, Trustee may depute an observer to attend the meeting. The expenses incurred by Trustee in this connection shall be borne and payable by the Company.

g) The Nominee Director/the observer shall furnish to the Trustee a report of the proceedings of all such meetings.

h) The appointment/removal of the Nominee Director shall be by a notice in writing by the Trustee addressed to the Company and shall (unless otherwise indicated by the Trustee) take effect forthwith upon such a notice being delivered to the Company.

93. Warrants

The Company may issue warrants subject to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations or any other rules, regulations made thereunder.

94. To provide for personal liabilities

To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, convenants and provisions as shall be agreed on.

95. By Advertisement

A Notice advertised in a newspaper circulating in neighborhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of Notice to him.

96. On joint holder

Any notice may be served by the Company on the Joint-holders of a Share/debenture by serving it on the joint holder named first in the Register of member / debenture holders in respect of the share/debenture.

97. Issue of bonus shares

The Company may issue bonus shares subject to the extent provisions of the Act.

98. The Company may keep in any country outside India, a part of the register referred in sub section (1) of section 88, subject to the extent provisions of the Act.

99. General Power

Wherever in the Companies Act, it has been provided that the Company shall have any right privilege or authority or that the Company could carry out any transaction only if the Company if so authorised by its Articles, then and in that case these regulations hereby authorise and empower the Company to have such rights privilege or authority and to carry such transactions as have been permitted by the Act.

100. Secrecy

Every Director, Manager, Treasurer, Trustee, Member of Committee, Officer, Servant, Agent, Accountant, or other persons employed in the business of the company shall if so required by the Directors, before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the company with the customers and the state of Accounts with individuals and Pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by law or the person to whom such matters relate, except so far as may be necessary in order to comply with any of the provisions of these presents contained.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and documents (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been entered into by our Company. These contracts which are or may be deemed material shall be attached to the copy of the Prospectus to be delivered to the Registrar of Companies, Kerala and Lakshadweep for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10.00 am to 4.00 pm on Working Days from the date of the filing of the Prospectus with the RoC until the Issue Closing Date.

Material Contracts

1. Issue Agreement dated March 28, 2025 between the Company and the Lead Manager;

2. Registrar Agreement dated March 24, 2025 between the Company and the Registrar to the Issue;

3. Debenture Trustee Agreement dated March 25, 2025 between the Company and the Debenture Trustee;

4. Tripartite Agreement dated January 30, 2014 between CDSL, the Company and the Registrar to the Issue; and

5. Tripartite Agreement dated February 5, 2014 between NSDL, the Company and the Registrar to the Issue.

Material Documents

1. Certificate of Incorporation of Company dated March 18, 1998, issued by Registrar of Companies, Kerala and Lakshadweep;

2. Fresh Certificate of Incorporation of the Company dated November 27, 2013, issued by Registrar of Companies, Kerala and Lakshadweep pursuant to the conversion of our Company from private limited company to a public limited company;

3. Memorandum and Articles of Association of the Company, as amended to date;

4. Certificate of registration (no. N-16.00175) dated April 13, 2002 issued by RBI under Section 45IA of the Reserve Bank of India Act, 1934. Fresh certificate of registration issued by RBI on January 1, 2014, pursuant to the change of name of our Company from 'Muthoottu Mini Financiers Private Limited' to 'Muthoottu Mini Financiers Limited';

5. Certificate of registration bearing registration no. – CA0122 issued by IRDAI, with effect from April 1, 2016 (renewed up to March 31, 2028), under Section 42D (1) of the Insurance Act, to act as a "Corporate Agent (Composite)";

6. 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, renewed on August 21, 2017;

7. Details of branches of the Company as on December 31, 2024.

8. Credit rating letter dated March 27, 2025 and rating rationale dated March 27, 2025 from ICRA Limited, granting credit ratings to the NCDs;

9. At the meeting of the Board of Directors of our Company held on February 27, 2025, the Board approved the public issue of Secured, Redeemable, Non-Convertible Debenture, amounting up to ₹ 20,000 lakh;

10. Copy of the resolution passed by the Shareholders of the Company at the general meeting held on December 14, 2022, approving the overall borrowing limit of Company;

11. Copy of the resolution of the Debenture Committee dated March 28, 2025 approving the Draft Prospectus;

12. Copy of the resolution of the Board of Directors/ Debenture Committee dated [●], 2025 approving the Prospectus;

13. Consents in writing of Directors of our Company, Chief Executive Officer, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Previous Statutory Auditor, legal advisor to the Issue, Lead Manager, the Registrar to the Issue, Credit Rating Agency, the Lenders/Bankers to our Company, Public Issue Account Bank, Refund Bank, Sponsor Bank, Syndicate Member, the Debenture Trustee, FSIAPL, to act in their respective capacities, have been obtained and will be filed along with a copy of the Prospectus with the RoC as required under Section 26 of the Companies Act 2013;

14. Our Company has received written consent from the Statutory Auditor, namely Mohandas & Associates, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as a statutory auditor, in respect of: (i) their report dated February 6, 2025 on the Limited Review Unaudited Financial Results for the nine months period ended December 31, 2024, included in this Draft Prospectus and from erstwhile statutory auditor Ramdas & Venugopal, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as a Previous Statutory Auditor, in respect of their (i) report dated May 27, 2024 on the Audited Financial Statements for Fiscal 2024; (ii) report dated May 17, 2023 on the Audited Financial Statements for Fiscal 2023; and (iii) report dated May 20, 2022 on the Audited Financial Statements for Fiscal 2022. The consent of the Statutory Auditor has not been withdrawn as on the date of this Draft Prospectus;

15. Copy of Statutory Auditor's certificate on statement of possible tax benefits dated March 28, 2025;

16. Industry report titled "*Gold Loan Industry in India*" dated March 13, 2025 prepared and issued by Fitch Solutions India Advisory Private Limited;

17. The Audited Financial Statements for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, included herein;

18. The Limited Review Unaudited Financial Results for the nine months period ended December 31, 2024 dated February 6, 2025 included herein;

19. Annual Reports of the Company for financial years 2024, 2023 and 2022;

20. Due diligence certificate dated [●] filed with SEBI by the Lead Manager;

21. In-principle listing approval letter dated [●] issued by BSE, for the Issue; and

22. Due diligence certificate dated March 28, 2025 filed with BSE by the Debenture Trustee.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Applicants subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including all the relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We further certify that all the disclosures and statements made in this Draft Prospectus are true and correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus is as per the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association. We further certify that the contents of this Draft Prospectus have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

Signed by the Directors of our Company

Nizzy Mathew
Chairman & Whole Time Director
DIN: 01680739

Mathew Muthoottu
Managing Director
DIN: 01786534

Mampuzha Mathew Herbert
Independent Director
DIN: 00640728

Venugopal Kuttappan Nair
Independent Director
DIN: 06783512

Manojkumar Raveendra Panicker
Independent Director
DIN: 09357326

Babita Teresa George
Non-Executive Director
DIN: 10838844

Date : 28-03-2025
Place : Kochi

ANNEXURE I- DAY COUNT CONVENTION

As specified in the Prospectus

ANNEXURE II- CREDIT RATING LETTER AND RATIONALE

APPENDED OVERLEAF

ICRA Limited

ICRA/Muthoottu Mini Financiers Limited/27032025/03

Date: March 27, 2025

Ms. ANN MARY GEORGE
Chief Financial Officer
Muthoottu Mini Financiers Limited
65/623 K, Muthoottu Royal Towers,
Kaloor, Ernakulam,
Kerala- 682017, India

Dear Madam,

Re: ICRA's Credit Rating for below mentioned instruments of Muthoottu Mini Financiers Limited

As per the Rating Agreement/Statement of Work executed with ICRA Limited, ICRA's Rating Committee has taken the following rating actions for the mentioned instruments of your company.

Instrument	Rated Amount (Rs. crore)	Rating Action[1]
Non-Convertible debenture programme (Public)*	200.00	[ICRA]A(Stable);assigned
Total	**200.00**	

**Yet to be placed*

Once the instrument is issued, the rating is valid throughout the life of the captioned programme until withdrawn. However, ICRA reserves the right to review and/or, revise the above rating(s) at any time based on new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the rating(s). Therefore, request the lenders and investors to visit ICRA website at www.icra.in for latest rating(s) of the company.

The rating(s) are specific to the terms and conditions of the instruments as indicated to us by you, and any change in the terms or size of the same would require a review of the rating(s) by us. In case there is any change in the terms and conditions or the size of the rated instrument, the same must be brought to our notice before the instrument is used by you. In the event such changes occur after the rating(s) have been assigned by us and their use has been confirmed by you, the rating(s) would be subject to our review, following which there could be a change in the rating(s) previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the instrument from that specified in this letter, would constitute an enhancement that would not be covered by or under the said Rating Agreement.

The rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated [Instrument] availed/issued by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s), or occurrence of any significant development that could impact the ability of the company to raise funds such as restriction imposed by any authority from raising funds through issuance of debt securities through electronic bidding system. Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

In line with SEBI Circular No. SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024, issuers are encouraged to utilize the penny-drop verification service as provided by banks. This measure is intended to prevent payment failures when disbursing principal and/or interest to respective investors or debenture holders.

[1] Complete definitions of the ratings assigned are available at www.icra.in.

Penny-drop verification serves as an efficient method for confirming the bank account details of persons designated to receive payments. Once an account has been verified through this facility, it can be used for subsequent transactions related to interest and principal payments, thereby ensuring successful remittance and avoiding failure.

We look forward to your communication and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

AGAPPA MANI KARTHIK

Digitally signed by AGAPPA MANI KARTHIK
Date: 2025.03.27 18:07:08 +05'30'

A M Karthik
Senior Vice President
a.karthik@icraindia.com

March 27, 2025

Muthoottu Mini Financiers Limited: [ICRA]A (Stable) assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Non-Convertible debenture programme (public placement)	200.00	[ICRA]A (Stable); assigned
Non-Convertible debenture programme	500.00	[ICRA]A (Stable); assigned
Long-term fund-based/Non-fund based bank Facilities	3050.00	[ICRA]A (Stable); assigned
Total	**3750.00**	

**Instrument details are provided in Annexure I*

Rationale

The assigned rating factors in Muthoottu Mini Financiers Limited's (MMFL) established brand and its long track record in the gold loan[1] business. It also considers the company's comfortable asset quality and the steadily improving earnings profile over the past few years.

MMFL has a moderate scale of operations with a loan portfolio of Rs. 3,816.2 crore as of December 2024. Its operations are geographically concentrated, with South India contributing 95.4% to the loan portfolio as of December 2024. Over the years, MMFL's asset quality has remained healthy with limited credit costs in the gold loan segment. As of December 2024, gold loans constituted 92.1% of the loan portfolio with microfinance accounting for 7.8%. The share of microfinance is expected to remain below 10% of the portfolio on a steady-state basis. The company has been gradually shifting to smaller ticket (89.6% of loans had a ticket size of less than Rs. 3 lakh as of December 2024 vis-à-vis 75.4% as of March 2023) and higher-yielding loans in the gold loan segment over the last two years, which has supported an improvement in its earnings performance.

MMFL's gearing stood at 4.9x as of December 2024 (5.1x as of March 2024). In the past few years, portfolio growth was largely supported by internal accruals. While MMFL's capitalisation is sufficient to meet its near-term growth target, it would require a further capital raise to manage its medium-term growth expectations. ICRA expects the company to maintain its leverage below 6x over the medium term.

ICRA notes that the Reserve Bank of India, vide its circular dated September 2024, had highlighted various irregular practices in the gold loan business. Further regulatory actions in this segment, if any, and the possible impact of the same shall remain monitorable.

The Stable outlook reflects ICRA's expectation that MMFL's credit profile would continue to be supported in the near term by steady asset quality and an adequate earnings profile.

[1] *Loan against household gold jewellery*

Key rating drivers and their description

Credit strengths

Long track record of operations – The Muthoottu Group has a track record of more than six decades in the gold loan business. MMFL, the flagship company of the Group, was established in 1998. As such, the promoters have a long-standing track record in the business. The senior management is also experienced and handles the day-to-day operations of the company. The loan portfolio stood at Rs. 3,816.2 crore as of December 2024, with gold loans, microfinance and loan against property (LAP) comprising 92.1%, 7.8%, and 0.1%, respectively. As of December 2024, MMFL had a pan-India network of 921 branches, spread across 12 states/Union Territories (UTs) with 5,335 employees. The strong brand value of Mini Muthoottu, its experienced promoters and senior management team are expected to support business growth as it targets growth at a compound annual growth rate (CAGR) of 25% over the next 3-4 years.

Comfortable asset quality – MMFL's asset quality has remained healthy over the last few years; its gross stage 3 was at a healthy level of 0.9% as of March 2024. The company's gold loan portfolio mainly consists of loans with tenors of 6-9 months. It carries out the auction of pledged gold after following the due processes if the borrowers fail to repay the loans. Given the liquid nature of gold as security, MMFL has faced limited credit losses in its gold loan segment in the past. ICRA notes that the company has adequate mechanisms for marking-to-market the value of the jewellery, in line with gold price fluctuations, providing adequate security cover for its loan portfolio. MMFL's auction recoveries ranged between 95% and 105% in the past four years.

The company has faced some uptick in delinquencies in the current fiscal, with its overall 90+ days past due (dpd) increasing to 1.2% as of December 2024. The 90+ dpd in the gold loan segment increased to 0.9% as of December 2024 from 0.7% as of March 2024 as MMFL has extended the auction period, based on requests from customers, wherever the loan-to-value (LTV) is comfortable. The microfinance segment was impacted in the current fiscal year, which is in line with the overall sectoral performance trends. The 90+ dpd in this segment increased to 5.0% as of December 2024 from 2.2% as of March 2024. The company had also written off certain legacy loans of Rs. 1.5 crore (0.4% of opening microfinance portfolio on an annualised basis) in 9M FY2025. While the near-term performance of the microfinance segment would be monitorable, MMFL's overall asset quality would not be significantly impacted, given the small share of the segment in its total portfolio.

Adequate capitalisation profile – MMFL's leverage has remained range-bound over the last few years; its gearing stood at 4.9x as of December 2024 (5.1x as of March 2024) vis-à-vis 5.1x in FY2023 with internal accruals largely supporting portfolio growth. Its capital adequacy ratio was adequate at 23.5% as of December 2024 (Tier I capital of 17.5%) vis-à-vis 23.9% as of March 2024 (Tier I capital of 16.9%). ICRA notes that sizeable, fixed assets are deployed in land and office buildings (Rs. 167.5 crore; 4.4% as of December 2024). MMFL receives rental income from leased-out portions of its head office building. ICRA also notes that the company provides considerable cash collateral for its borrowings in addition to securities in the form of personal guarantees from promoters and other assets, including loan receivables, fixed assets, etc. As of December 2024, the cash collateral for its borrowings stood at ~Rs. 460.3 crore (9.9% of the total assets).

The company envisages to grow its portfolio at a CAGR of 25% over the medium term. While MMFL's capitalisation is adequate for its near-term growth requirements, it would need a further capital raise to achieve its medium-term growth target. The company is in discussions with potential investors for a capital raise in FY2026. ICRA expects MMFL to maintain its managed gearing below 6x over the next three years.

Steadily improving earnings performance; there is however further scope for improvement – MMFL's net profitability has been increasing over the past four years, with its profit after tax/average managed assets (PAT/AMA) improving to 1.9% in FY2024 and 2.2% in 9M FY2025 from 1.6% in FY2022. This was supported by the steady expansion of the interest margins as the company has increasingly reduced its share of low-ticket gold loans. Operating expenses, as a proportion of AMA, also rose to 5.5% in 9M FY2025 from 5.1% in FY2024 (4.8% in FY2022) with MMFL focusing on steadily expanding its operating

infrastructure. Credit costs remained under control in the past, given the limited credit risk in the gold loan segment. However, the company undertook write-offs of Rs. 1.5 crore from certain legacy microfinance loans in 9M FY2025, leading to an increase in the credit costs to 0.4% of AMA. Nevertheless, ICRA expects credit costs to remain under control going forward, given the small share of the microfinance segment in MMFL's portfolio.

Going forward, there is further scope for improvement in MMFL's net profitability with enhanced operating efficiency. The company's gold assets under management (AUM) per gold branch stood at Rs. 3.8 crore as of December 2024 (Rs. 3.6 crore in March 2024), suggesting scope for improvement in the operational efficiency. It anticipates achieving an AUM of Rs. 5 crore per branch in the near term.

Credit challenges

Moderate scale; highly competitive gold loan business – The company's portfolio grew by 8.0% in FY2024 vis-à-vis 30.6% in FY2023; the growth in 9M FY2025 was also moderate at 8.3%. The slower growth witnessed in the recent past was due to the shifting of the focus towards lower-ticket loans. MMFL's loan portfolio stood at Rs. 3,816.2 crore as of December 2024. While the gold loan segment is the predominant focus of the company, it has a small presence in the microfinance and LAP segments, though operations in these segments are restricted to Kerala. On a steady-state basis, MMFL intends to limit its exposure to the microfinance segment to less than 10% of its loan portfolio, going forward.

As of December 2024, MMFL had a network of 921 branches spread across 12 states/UTs with 5,335 employees. The company expects to open 30-50 branches annually over the next few years, which would support a scale-up of its operations. However, ICRA notes that the gold loan segment is highly competitive with the presence of many well-established non-banking financial companies (NBFCs). Further, the segment is witnessing increasing focus from banks as well as many large NBFCs, which are expanding their presence.

Geographically concentrated operations – MMFL's portfolio is significantly concentrated in southern India. As of December 2024, Tamil Nadu was the top contributing state with a 33.3% share in the total portfolio. South India (Tamil Nadu, Kerala, Karnataka, Andhra Pradesh and Telangana) contributed 95.4% to the portfolio. Going forward, the company is expected to steadily expand its presence in North and West India. However, the ramp-up of the portfolio in these locations would be gradual over the medium term.

Liquidity position: Adequate

The asset-liability maturity (ALM) profile, as of December 2024, reflected positive cumulative mismatches across all buckets. As on February 28, 2025, the company was carrying unencumbered on-book liquidity of Rs. 88.9 crore and unutilised bank lines of Rs. 64.6 crore. It has scheduled debt obligations of Rs. 539.2 crore from March 2025 till May 2025. With sizeable monthly average collections of about Rs. 700 crore from the borrowers, the liquidity position is expected to be adequate.

Rating sensitivities

Positive factors – The sustained scale-up of operations and an improvement in the earnings profile would positively impact MMFL's credit profile. A significant improvement in the capitalisation profile would also positively impact the rating.

Negative factors – Pressure on the rating could arise in case of a sustained weakening in the company's asset quality performance or earnings profile (return on managed assets (RoMA) of less than 1.5%). A sustained increase in the managed gearing beyond 6x would also negatively impact the rating.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Rating methodology for non-banking finance companies
Parent/Group support	-
Consolidation/Standalone	Standalone

About the company

Muthoottu Mini Financiers Limited, founded in 1998, has been actively involved in the gold loan sector for an extended period. As of December 2024, it had a presence in 12 states and Union Territories through 921 branches. Additionally, the company has a small presence in the microfinance sector in Kerala, offering unsecured loans to women's joint liability groups. MMFL is wholly owned by the promoters and promoter-held entities (including Muthoottu Mini Hotels Pvt. Ltd., Mini Muthoottu Credit India Pvt. Ltd., Muthoottu Mini Theatres Pvt. Ltd., and Muthoottu Infotech Pvt. Ltd). As of December 2024, the gold loan segment accounted for 92.1% of the total loan portfolio. The company is expanding its geographical footprint by establishing new branches in Mumbai, Gujarat, and Delhi NCR.

Key financial indicators

MMFL	FY2023	FY2024	9M FY2025
Total income	544.4	671.8	595.4
PAT	67.3	77.8	74.7
Total managed assets	3,876.9	4,340.3	4,684.0
Return on managed assets	1.9%	1.9%	2.2%
Managed gearing (times)	5.1	5.1	4.9
Gross stage 3	0.4%	0.9%	1.2%
CRAR	22.8%	23.9%	23.5%

Source: Company, ICRA Research; Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2025)			Chronology of rating history for the past 3 years					
	FY2025			FY2024		FY2023		FY2022	
	Type	Amount rated (Rs. crore)	March 27, 2025	Date	Rating	Date	Rating	Date	Rating
Long-term fund-based/Non-fund based bank limits-others	Long term	3050.00	[ICRA]A (Stable)	-	-	-	-	-	-
NCD-Public Placement	Long term	200.00	[ICRA]A (Stable)	-	-	-	-	-	-
NCD	Long term	500.00	[ICRA]A (Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based/Non-fund based bank Facilities	Simple
NCD Programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	**Long-term fund-based/Non-fund based bank limits-others**	Feb-2022 to Mar-2025	8.25% - 11.60%	Mar-2025 to Sep-2028	3050.00	[ICRA]A (Stable)
Not yet placed	**NCD (Public)**	NA	NA	NA	200.00	[ICRA]A (Stable)
Not yet placed	**NCD**	NA	NA	NA	500.00	[ICRA]A (Stable)

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis

Not applicable

ANALYST CONTACTS

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karthiks@icraindia.com

A M Karthik
+91 44 4596 4308
a.karthik@icraindia.com

R Srinivasan
+91 44 4596 4315
r.srinivasan@icraindia.com

Jaynesh Shah
+91 22 6169 3300
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RELATIONSHIP CONTACT

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+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

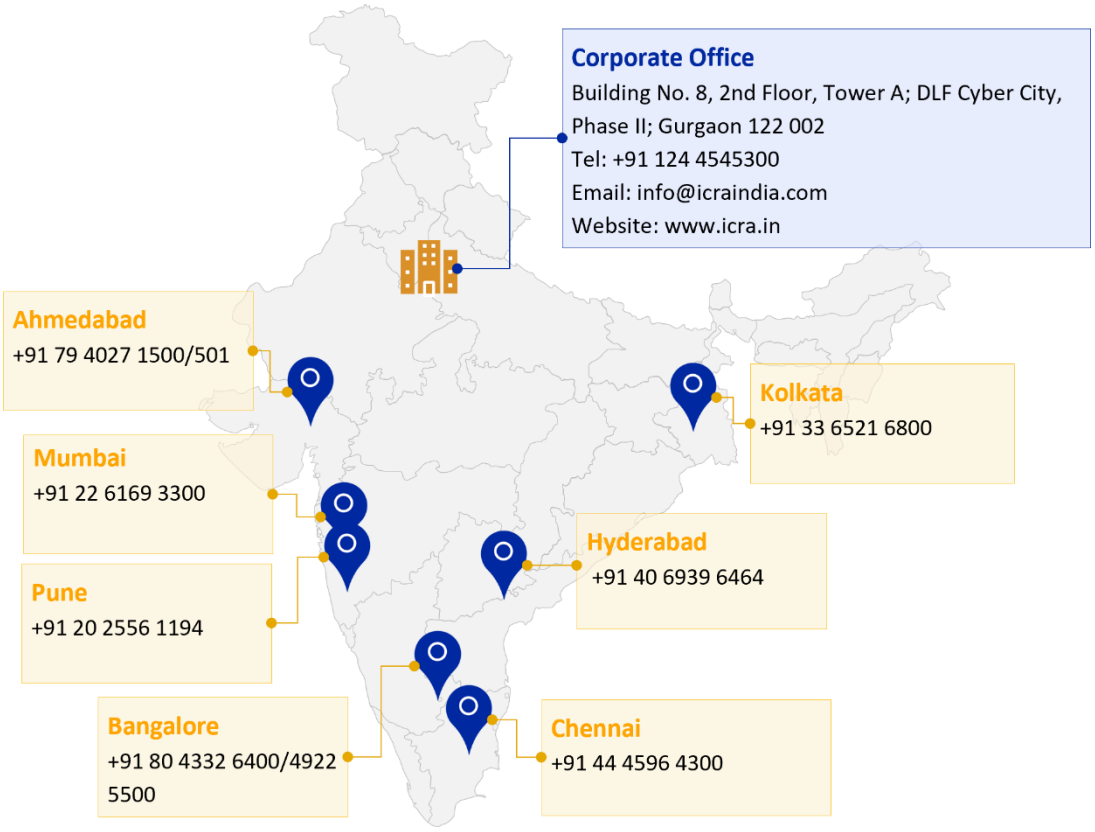
For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



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ANNEXURE III- CONSENT OF THE DEBENTURE TRUSTEE

APPENDED OVERLEAF

Consent letter from the Debenture Trustee to the Issue

28-03-2025

Muthoottu Mini Financiers Limited
65/623K Muthoottu Royal Towers,
Kaloor, Kochi – 682 017,
Kerala, India

Dear Ma'am/Sir

Sub: Proposed public offering of Secured Redeemable Non-Convertible Debenture of face value of ₹ 1,000 each ("NCDs") amounting up to ₹ 10,000 lakhs ("Base Issue"), with an option to retain over-subscription up to ₹ 10,000 lakhs, aggregating up to ₹ 20,000 lakhs ("Issue") by Muthoottu Mini Financiers Limited ("Company" or "Issuer")

We, the undersigned, hereby consent to be named as the debenture trustee to the Issue ("**Debenture Trustee**") and to our name being inserted as the Debenture Trustee to the in the draft prospectus ("**Draft Prospectus**") to be filed with the BSE Limited ("**Stock Exchange(s)**") and to be forwarded to Securities and Exchange Board of India ("**SEBI**") and the prospectus ("**Prospectus**") to be filed with the Registrar of Companies, Kerala and Lakshadweep ("**RoC**"), Stock Exchange(s) and to be forwarded to SEBI which the Company intends to issue in respect of the Issue and also in all related advertisements and communications sent pursuant to the Issue. The following details with respect to us may be disclosed:

Name	: MITCON Credentia Trusteeship Services Limited
Address	: 1402/1403, B wing, Dalamal Tower, 14th Floor, Press Journal Marg, 211 Nariman Point, Mumbai 400 021, Maharashtra, India
Tel	: (91) (22) 22828200
Fax	: (91) (22) 22024553
Email	: contact@mitconcredentia.in
Investor Grievance Mail	: investorgrievances@mitconcredentia.in
Website	: www.mitconcredentia.in
Contact Person	: Ms. Vaishali Urkude
SEBI Registration No	: IND000000596
Logo	: MITCON CREDENTIA PARTNER WITH TRUSTED CREDENTIALS
CIN	: U93000PN2018PLC180330

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We confirm that we have not been prohibited to act as a debenture trustee by the SEBI.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

We confirm that we will immediately in writing inform the Company and the Lead Manager of any change to the above information until the date when the proposed public issue of NCDs commence trading on the Stock Exchange(s). In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

This letter may be relied upon by you, the Lead Manager and the legal advisor to the Issue in respect of the Issue.

Sincerely

For MITCON Credentia Trusteeship Services Limited

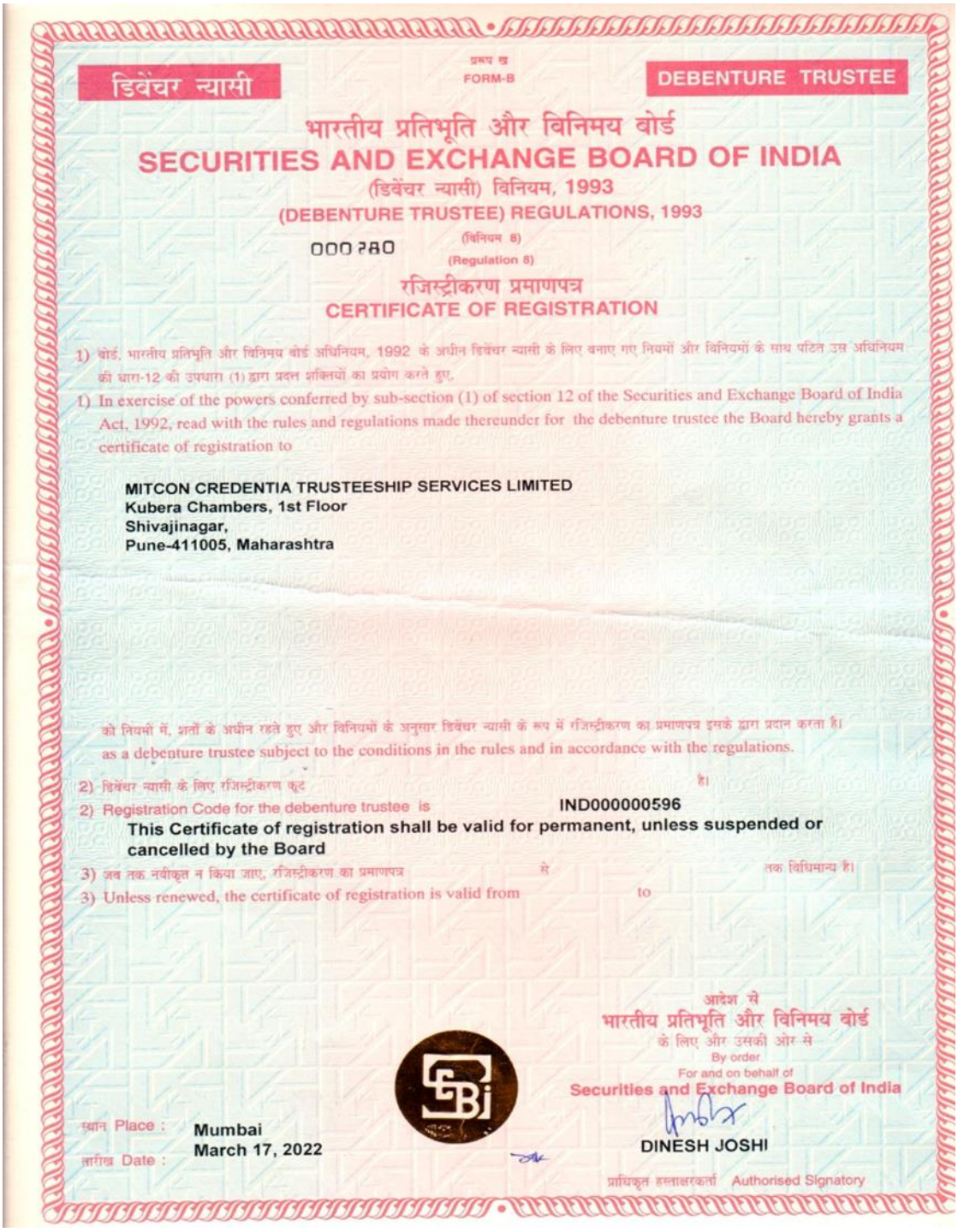
Yogesh Limbachiya
AVP & Compliance Officer

CC:

Vivro Financial Services Private Limited
Vivro House, 11, Shashi Colony,
Opposite Suvidha Shopping Center,
Paldi, Ahmedabad – 380007
Gujarat, India

Khaitan & Co
One World Centre
10th, 13th & 14th Floor, Tower 1C,
Senapati Bapat Marg,
Mumbai 400 013
Maharashtra, India

Annexure A



प्ररूप ख
FORM-B

डिबेंचर न्यासी

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA
(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000280

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED
Kubera Chambers, 1st Floor
Shivajinagar,
Pune-411005, Maharashtra

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।
2) Registration Code for the debenture trustee is IND000000596

This Certificate of registration shall be valid for permanent, unless suspended or cancelled by the Board

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।
3) Unless renewed, the certificate of registration is valid from to

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

DINESH JOSHI
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

स्थान Place : Mumbai
तारीख Date : March 17, 2022

Annexure B

28-03-2025

Muthoottu Mini Financiers Limited
65/623K Muthoottu Royal Towers,
Kaloor, Kochi – 682 017,
Kerala, India

Dear Ma'am/Sir

Sub: Proposed public offering of Secured Redeemable Non-Convertible Debenture of face value of ₹ 1,000 each ("NCDs") amounting up to ₹ 10,000 lakhs ("Base Issue"), with an option to retain over-subscription up to ₹ 10,000 lakhs, aggregating up to ₹ 20,000 lakhs ("Issue") by Muthoottu Mini Financiers Limited ("Company" or "Issuer")

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India ("**SEBI**") as a Debenture Trustee is true and correct:

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Details</th></tr>
<tr><td>1.</td><td>Registration Number</td><td>IND000000596</td></tr>
<tr><td>2.</td><td>Date of registration/ Renewal of registration</td><td>March 17, 2022</td></tr>
<tr><td>3.</td><td>Date of expiry of registration</td><td>Permanent registration</td></tr>
<tr><td>4.</td><td>If applied for renewal, date of application</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Any communication from SEBI prohibiting the entity from acting as an intermediary</td><td>None</td></tr>
<tr><td>6.</td><td>Any enquiry/ investigation being conducted by SEBI</td><td>Nil at present</td></tr>
<tr><td>7.</td><td>Details of any penalty imposed by SEBI</td><td>
<table>
<tr><th>Sr. No.</th><th>Adjudication Order Date</th><th>Penalty Provision</th><th>Penalty (Rs.)</th><th>Remarks</th></tr>
<tr><td>1</td><td>March 18, 2024</td><td>15HB OF SEBI Act, 1992</td><td>Rs. 2,00,000/- (Rs. Two Lakhs Only)</td><td>In the matter of Pride Properties Private Limited</td></tr>
</table>
</td></tr>
</table>

We hereby enclose a copy of our SEBI registration certificate.

We shall immediately in writing intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the relevant Stock Exchange. In the absence of any such communication the listing and trading of the non-convertible debentures on the relevant Stock Exchange.

For

For MITCON Credentia Trusteeship Services Limited

Yogesh Limbachiya
AVP & Compliance Officer

ANNEXURE IV- FINANCIAL STATEMENTS

APPENDED OVERLEAF

MOHANDAS & ASSOCIATES
CHARTERED ACCOUNTANTS
IIIrd Floor, "Sree Residency"
Press Club Road, Thrissur - 1.
✆ : 0487 - 2333124, 2321290
Email : ma.auditors@gmail.com

Our Ref.

Independent auditors review Report on unaudited standalone quarterly financial results of Muthoottu Mini Financiers Limited pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Review Report to

The Board of Directors
Muthoottu Mini Financiers Limited
Kochi

We have reviewed the accompanying statement of unaudited financial results of Muthoottu Mini Financiers Limited for the period ended 31st December 2024. This statement is the responsibility of the management of Muthoottu Mini Financiers Limited and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant

prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning, and other related matters

The comparative financial information as at 31st December 2023, are based on the unaudited financial statements for the period ended 31st December 2023. Our conclusion is not modified in respect of this matter.

For MOHANDAS & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG NO: 002116S

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MOHANDAS ANCHERY
(PARTNER)
MEMBERSHIP NO: 036726
UDIN: 25036726BMHUBS7575

Thrissur
Dated: 6th February 2025

MUTHOOTTU MINI FINANCIERS LIMITED
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER & PERIOD ENDED DECEMBER 2024

Rs. In Lakhs Except Face Value of Shares and EPS

Particulars	Quarter ended			Period ended		Year Ended
	31-12-2024	30-09-2024	31-12-2023	31-12-2024	31-12-2023	31-03-2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations						
Interest income	19,920.29	20,017.66	16,495.73	58,172.23	48,150.86	65,317.38
Other income on loans	256.20	326.37	223.59	826.57	652.18	1,030.89
Dividend income	28.96	0.18	22.53	29.14	22.66	22.67
Rental income	39.36	43.04	42.93	110.07	114.24	168.66
Fees and Commission income	79.75	121.53	46.16	249.37	146.54	249.09
Net gain on derecognition of financial instruments under amortised cost category	-	-	-	-	-	-
Net gain on fair value changes	-	-	0.39	-	7.53	9.13
Sales of services	-0.99	4.36	5.25	5.51	17.24	23.03
Total Revenue from operations (I)	**20,323.57**	**20,513.14**	**16,836.58**	**59,392.89**	**49,111.25**	**66,820.85**
Other Income (II)	33.82	16.58	46.16	151.62	255.99	363.06
Total Income (III)	**20,357.39**	**20,529.72**	**16,882.74**	**59,544.51**	**49,367.24**	**67,183.91**
Expenses						
Finance costs	9,947.65	9,907.10	8,468.18	29,155.13	25,235.19	34,530.94
Net loss on fair value changes	0.49	1.51	-	2.58	-	-
Impairment on financial instruments	918.27	283.54	576.68	1,348.12	690.71	694.71
Employee benefits expenses	4,165.89	3,890.94	3,107.33	11,497.13	8,528.19	12,458.58
Depreciation, amortization and impairment	301.18	274.91	282.49	829.57	726.48	1,038.40
Other expenses	2,026.76	2,404.87	2,008.69	6,328.10	5,569.16	7,405.52
Total Expenses (IV)	**17,360.24**	**16,762.87**	**14,443.37**	**49,160.63**	**40,749.73**	**56,128.15**
Profit before tax (III- IV)	**2,997.15**	**3,766.85**	**2,439.37**	**10,383.88**	**8,617.51**	**11,055.76**
Tax Expense:						
(1) Current tax	221.89	1,378.37	1,143.67	2,812.65	2,423.53	3,258.12
(2) Previous year tax	-	-	-	-	-	-
(3) Deferred tax	56.84	-6.93	-23.13	105.10	189.68	14.50
Profit for the year (V- VI)	**2,718.42**	**2,395.41**	**1,318.83**	**7,466.13**	**6,004.30**	**7,783.14**
Other Comprehensive Income						
(i) Items that will not be reclassified to profit or loss						
- Remeasurement of defined benefit plans	-	-	-	-	-	-27.41
- 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	-	-	-	-	-	9.58
Subtotal (A)	-	-	-	-	-	-17.83
						-
(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Subtotal (B)	-	-	-	-	-	-
Other Comprehensive Income (A + B) (VIII)	-	-	-	-	-	**-17.83**
Total Comprehensive Income for the year (VII+VIII)	**2,718.42**	**2,395.41**	**1,318.83**	**7,466.13**	**6,004.30**	**7,765.31**
Earnings per equity share						
(Face value of Rs. 100/- each)						
Basic (Rs.)	**39.77**	**37.93**	**32.08**	**39.77**	**32.08**	**31.19**
Diluted (Rs.)	**39.77**	**37.93**	**32.08**	**39.77**	**32.08**	**31.19**

Place :Kochi
Date: 06th February 2025

For Muthoottu Mini Financiers Limited

Nizzy Mathew (DIN: 01683739)
Whole-time Director

MUTHOOTTU MINI FINANCIERS LTD.

MUTHOOTTU MINI FINANCIERS LIMITED
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
STATEMENT OF ASSETS & LIABILITIES AS AT DECEMBER 31, 2024

(Rupees in Lakhs)

Particulars		As at December 31st, 2024 (UnAudited)	As at March 31, 2024 (Audited)
I. ASSETS			
1	**Financial assets**		
a)	Cash and cash equivalents	10,971.02	10,269.47
b)	Bank Balance other than (a) above	48,465.69	44,857.57
c)	Receivables		
	(I) Trade receivables		
	(II) Other receivables		
d)	Loans	3,77,946.81	3,49,807.61
e)	Investments	989.56	992.14
f)	Other financial assets	2,080.91	2,026.45
2	**Non-financial Assets**		
a)	Inventories		
b)	Current tax assets (Net)	2,029.16	2,199.95
c)	Deferred tax assets (Net)	109.98	215.09
d)	Property, Plant and Equipment	20,134.91	19,923.16
e)	Other intangible assets	323.59	222.96
f)	Other non-financial assets	1,650.54	1,043.07
	Total Assets	**4,64,702.17**	**4,31,557.47**
II. LIABILITIES AND EQUITY			
LIABILITIES			
1	**Financial Liabilities**		
a)	Debt Securities	1,45,537.02	1,36,226.23
b)	Borrowings (other than debt securities)	2,03,371.00	1,91,229.90
c)	Subordinated liabilities	34,242.62	30,664.31
d)	Other financial liabilities	2,456.46	1,694.17
2	**Non-financial Liabilities**		
a)	Provisions	504.06	581.62
b)	Other non-financial liabilities	540.47	576.82
3	**EQUITY**		
a)	Equity share capital	25,032.54	25,032.54
b)	Other equity	53,018.00	45,551.88
	Total Liabilities and Equity	**4,64,702.17**	**4,31,557.47**

Place: Kochi
Date: 06th February, 2025

For Muthoottu Mini Financiers Limited

Nizzy Mathew (DIN:01680739)
Whole-time Director

CASH FLOW STATEMENT
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
CASH FLOW STATEMENT

Particulars	Period ended December 31st, 2024 (UnAudited)		Period ended December 31, 2023 (UnAudited)	
A. Cash Flow from Operating Activities				
Profit before tax		10,383.88		8,617.51
Adjustments for :				
Impairment on financial instruments	1,348.12		690.71	
Net (gain)/loss on fair value changes	-		-7.53	
Net (Profit) / Loss on Sale of assets	-3.10		-	
Finance Costs	29,155.13		25,235.19	
Depreciation, amortization and impairment	829.57		726.48	
Income from Non-Operating Business				
- Rental Income	-110.07		-114.24	
- Dividend Income	-29.14	31,190.51	-	26,530.61
Operating Profit / (Loss) before working capital Adjustments		41,574.39		35,148.12
Adjustments for :				
Loans	-29,487.31		-6,826.61	
Investments	2.58		-	
Other financial assets	-54.46		-7.12	
Other non financial assets	-607.47		31.66	
Bank Balance other than "Cash and cash equivalents"	-3,608.12		-7,835.53	
Provisions	-77.56		-91.56	
Other financial liabilities	762.29		290.44	
Other non financial liabilities	-36.35	-33,106.40	-17.11	-14,455.83
Cash Generated from operations		8,467.99		20,692.29
Income Tax paid		-2,641.86		-2,214.10
Finance cost paid		-29,757.50		-25,070.89
Net Cash Flow from Operating Activity		**-23,931.37**		**-6,592.70**
B. Cash Flow from Investment Activities				
Dividend Income		29.14		-
Rental Income		110.07		114.24
Sale of Fixed Assets		12.50		16.74
Purchase of Fixed Assets		-1,151.36		-1,291.35
Net Cash Flow from Investment Activity		**-999.65**		**-1,160.37**
C. Cash Flow from Financing Activity				
Proceeds from issue of equity share capital (including share premium)		-		
Net increase/(Decrease) in Borrowings(other than debt securities)		12,457.47		39,321.12
Net increase/(Decrease) in Subdebt		3,578.31		4,969.60
Net increase/(Decrease) in Debt Securities		9,596.79		-14,542.74
Net Cash Flow from Financing Activity		**25,632.57**		**29,747.98**
Net Increase/(Decrease)in Cash & Cash Equivalents(A+B+C)		701.55		21,994.91
Opening Balance of Cash & Cash Equivalents		10,269.47		14,913.36
Closing Balance of Cash & Cash Equivalents		**10,971.02**		**36,908.27**
Components of Cash and Cash Equivalents				
Current Account with Banks		10,098.85		14,260.80
Deposit with Banks		263.06		20,082.20
Cash in Hand		609.11		2,565.27
		10,971.02		**36,908.27**

Place: Kochi
Date: 06th February, 2025

For Muthoottu Mini Financiers Limited

MUTHOOTTU MINI FINANCIERS LTD.

Nizzy Mathew (DIN:01680739)
Whole-time Director

MUTHOOTTU MINI FINANCIERS LIMITED

CIN: U65910KL1998PLC012154

Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

Notes to the financial statements: -

1. The above unaudited financial results were reviewed by the audit committee and approved by the Board of Directors of the company at their meeting held on 06th February, 2025.

2. The Company has adopted Indian Accounting Standards ('Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules from April 01, 2019. The financial statements have been presented in accordance with the format prescribed for Non-Banking Financial Companies under the Companies (Indian Accounting Standards) Rules, 2015 in Division III of Schedule Ill as per Notification No. C.S.R. 1022(E) dated 11.10.2018, issued by Ministry of Corporate Affairs, Government of India.

3. In compliance with Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligation and Disclosure Requirements) Regulation, 2015, a "Limited Review" of standalone financial results for the quarter ended 31st December 2024 has been carried out by the Statutory Auditor of the Company.

4. The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS – 108 dealing with Operating Segments.

5. Earnings Per equity Share for the period ended December 31, 2024 and December 31, 2023 have been annualized.

6. The figures for the quarter ended December 31, 2024 and December 31, 2023 are the balancing figures between the year-to-date unaudited figures as on December 31, 2024 and December 31, 2023 and the half year ended unaudited figures as on September 30, 2024 and September 30, 2023 respectively which were subjected to limited review by the auditors.

7. Disclosure pursuant to Regulation 54 of Securities and Exchange Board of India (Listing Obligations. And Disclosure Requirements) Regulations, 2015.
   a) Nature of security created and maintained with respect to secured listed nonconvertible debt securities is:

      Public issue IX to XVIII & the Private placements Tranche 1 to 5 are secured by way of first ranking pari-passu charges with existing secured creditors, on current assets including book debts, loans and advances, cash and bank balances (not including

reserves created in accordance with law) and receivables both present and future of the Company.

b) The Company has maintained requisite full asset cover by way of pari-passu charge on current assets including book debts, loans and advances, cash and bank balances (not including reserves created in accordance with law) and receivables both present and future of the Company, on its Secured, Listed Non-Convertible Debentures.

8. Information required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 is attached as Annexure I.

9. The security cover certificate for the period ended December 31, 2024, as per Regulation 54(3) of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure A.

10. Disclosure as per the notification No.RBI/DOR/2021-22 /86.DOR.STR.REC.51 /21.04.048 /2021-22. September 24 2021 under Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 relating to the total amount of loans not in default/ stressed loans transferred and acquired to/ from other entities

    a. The company has not transferred or acquired through assignment in respect of loans not in default during the period ended 31st December 2024.

    b. The company has not transferred or acquired any stressed loans during the period ended 31st December 2024.

11. Previous period /year figures have been regrouped /reclassified wherever necessary to conform to current period/year presentation.

For and on behalf of Board of Directors

Nizzy Mathew (DIN: 01680739)
Whole-time Director

Place: Kochi
Date: 06th February, 2025

Annexure I

Information required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015.

Sl No.	Particulars	Period Ended December 31, 2024
1	Debenture Redemption Reserve	Nil
2	Net worth (note1)	₹ 75,265.32 lakhs
3	Net Profit after Tax	₹ 7,466.13 lakhs
4	Earnings per Share(Face Value Rs.100)	₹ 39.77
5	Debt Equity Ratio (note 2)	4.93 times
6	Debt service coverage ratio*	Not Applicable
7	Interest service coverage ratio*	Not Applicable
8	Outstanding redeemable preference shares	Nil
9	Capital redemption reserve/debenture redemption reserve	Nil
10	Current Ratio (note3)*	1.96 times^
11	Long term debt to working capital (note4)*	0.81 times^
12	Bad debts to Account receivable ratio (note5)*	Negligible
13	Current liability ratio (note6)*	0.56 times^
14	Total debts to total assets (note7)*	82.45%^
15	Debtors turnover*	Not Applicable
16	Inventory turnover*	Not Applicable
17	Operating margin*	Not Applicable
18	Net profit margin (note8)	12.54%
19	Sector specific equivalent ratios a. Gross NPA b. Net NPA c. CRAR	 1.22% 0.77% 23.53%

*The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company. Hence these ratios are generally not applicable.

^The financial statements have been presented in accordance with the format prescribed for Non-Banking Financial Companies under the Companies (Indian Accounting Standards) Rules, 2015 in Division III of Schedule Ill as per Notification No. C.S.R. 1022(E) dated 11.10.2018, issued by Ministry of Corporate Affairs, Government of India, the Company has worked out these ratios by considering the maturity of assets and liabilities.

1. Net worth = Equity Share Capital + other Equity - Deferred revenue expenditure – Revaluation Reserve.
2. Debt Equity ratio = (Non-convertible debentures + Subordinated Liabilities + Bank borrowings) / (Equity share Capital +Other Equity).
3. Current Ratio = Current assets/current liabilities. (Based on the maturity of assets/liabilities).

MUTHOOTTU MINI FINANCIERS LTD.

4. Long term debt to working capital = (Non-convertible debentures + Subordinated Liabilities + Term Loan from Bank)/ (Current assets - current liabilities).
5. Bad debts to Account receivable ratio = Bad debts / Gross AUM.
6. Current liability ratio = current liabilities/ Total liabilities.
7. Total debts to total assets = (Non-convertible debentures + Subordinated Liabilities + Bank borrowings)/ total assets.
8. Net profit margin = Profit after tax/Total income.

MOHANDAS & ASSOCIATES
CHARTERED ACCOUNTANTS
IIIrd Floor, "Sree Residency"
Press Club Road, Thrissur - 1.
✆ : 0487 - 2333124, 2321290
Email : ma.auditors@gmail.com

Our Ref.

To,

Muthoottu Mini Financiers Limited
Muthoottu Royal tower, Kaloor
Kochi, Kerala - 682017

Certificate of the Security Cover as at 31st December 2024.

1. This certificate is issued in accordance with the terms of your email dated February 05th, 2025.

2. The accompanying 'Statement of security cover as at 31 December 2024' contains the details required pursuant to compliance with terms and conditions by Muthoottu Mini Financiers Limited (the Company) contained in the Debenture Trust Deeds (hereinafter referred to as "Deed") entered into between the Company and Debenture Trustees (hereinafter referred to as "Trustee").

   The following Outstanding secured Listed Non-Convertible Debentures as on 31st December 2024 have been considered for this Certificate:

ISIN	Facility	Type of Charge	Allotted Amount in ₹ lakhs	Outstanding as on 31st December, 2024 in ₹ lakhs	Cover Required	Assets required in ₹ lakhs	
INE101Q07599	Public Issue NCD	Pari-passu	2727.43	2727.43	100%	2727.43	Vistra
INE101Q07607	Public Issue NCD	Pari-passu	164.71	265.60	100%	265.60	Vistra
INE101Q07615	Public Issue NCD	Pari-passu	4193.27	6825.10	100%	6825.10	Vistra
INE101Q07706	Public Issue NCD	Pari-passu	3684.44	3684.44	100%	3684.44	Vistra
INE101Q07714	Public Issue NCD	Pari-passu	3156.06	4953.09	100%	4953.09	Vistra
INE101Q07771	Public Issue NCD	Pari-passu	3122	3122.00	100%	3122.00	Vistra
INE101Q07789	Public Issue NCD	Pari-passu	1608.53	2464.12	100%	2464.12	Vistra
INE101Q07839	Public Issue NCD	Pari-passu	865.15	1303.46	100%	1303.46	Vistra
INE101Q07847	Public Issue NCD	Pari-passu	3624.01	3624.01	100%	3624.01	Vistra

Continuation sheet

INE101Q07854	Public Issue NCD	Pari-passu	1758.7	2653.91	100%	2653.91	Vistra
INE101Q07904	Public Issue NCD	Pari-passu	2181.65	3268.35	100%	3268.35	Vistra
INE101Q07953	Public Issue NCD	Pari-passu	1281.41	1848.02	100%	1848.02	Vistra
INE101Q07995	Public Issue NCD	Pari-passu	4404.22	4404.22	100%	4404.22	Mitcon
INE101Q07AA1	Public Issue NCD	Pari-passu	3356.83	4662.65	100%	4662.65	Mitcon
INE101Q07AE3	Public Issue NCD	Pari-passu	1750.98	2311.21	100%	2311.21	Mitcon
INE101Q07AF0	Public Issue NCD	Pari-passu	6181.8	6181.80	100%	6181.80	Mitcon
INE101Q07AG8	Public Issue NCD	Pari-passu	2618.73	3522.74	100%	3522.74	Mitcon
INE101Q07AK0	Public Issue NCD	Pari-passu	2868.9	3634.42	100%	3634.42	Mitcon
INE101Q07AL8	Public Issue NCD	Pari-passu	9070.27	9070.27	100%	9070.27	Mitcon
INE101Q07AM6	Public Issue NCD	Pari-passu	4355.33	5622.44	100%	5622.44	Mitcon
INE101Q07AR5	Public Issue NCD	Pari-passu	1,219.99	1,233.50	100%	1,233.50	Mitcon
INE101Q07AT1	Public Issue NCD	Pari-passu	3,291.89	3,291.89	100%	3,291.89	Mitcon
INE101Q07AU9	Public Issue NCD	Pari-passu	528.37	528.37	100%	528.37	Mitcon
INE101Q07AV7	Public Issue NCD	Pari-passu	1,131.95	1,145.95	100%	1,145.95	Mitcon
INE101Q07AW5	Public Issue NCD	Pari-passu	975.15	986.35	100%	986.35	Mitcon
INE101Q07AX3	Public Issue NCD	Pari-passu	996.67	996.67	100%	996.67	Mitcon
INE101Q07AY1	Public Issue NCD	Pari-passu	3,315.84	3,315.84	100%	3,315.84	Mitcon
INE101Q07AN4	Private Issue NCD	Pari-passu	4,900.00	4928.19	100%	4928.19	Mitcon
INE101Q07AO2	Private Issue NCD	Pari-passu	5,000.00	5028.77	100%	5028.77	Mitcon
INE101Q07AP9	Private Issue NCD	Pari-passu	5,000.00	5028.77	100%	5028.77	Mitcon

INE101Q07AQ7	Private Issue NCD	Pari-passu	7,500.00	7543.15	100%	7543.15	Mitcon
INE101Q07AS3	Private Issue NCD	Pari-passu	2,500.00	2512.02	100%	2512.02	Mitcon
Grand Total						**1,12,688.75**	

Management Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. This includes collecting, collating and validating data and accurate computation of security cover.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the clauses of Deed document and provides all relevant information to Trustee.

Auditor's Responsibility

5. It is our responsibility to provide a reasonable assurance whether:

   a) The amounts given in the Annexure 1 have been extracted from the audited books of accounts for the period ended 31st December 2024 and other related records of the Company and the computation of security cover is arithmetically correct.

   b) The financial covenants of the issue of the listed debt securities mentioned in Annexure 1 of this certificate have been complied with as mentioned in the Debenture Trust deed.

   c) The assets of the entity provide 100% security coverage as per the terms of offer document/ information memorandum and/or debenture trust deed.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the Deed and the relevant documents and information provided to us, we certify that:

a) The amounts given in the Annexure 1 have been extracted from the audited books of accounts for the period ended 31st December 2024 and other related records of the Company and the computation of security cover is arithmetically correct.

b) The financial covenants of the listed debt securities mentioned in Annexure 1 of this certificate have been complied with as mentioned in the respective Debenture Trust deeds as per the review and verification of relevant records and documents and the declaration and certification given by the Management of the Company.

c) The assets of the entity provide 100% security coverage as per the terms of offer document/ information memorandum and/or debenture trust deed.

c) The financial results for the period ended 31st December 2024 have been unaudited by us, on which we have issued an unmodified audit opinion dated February 06th, 2025.

Restriction on Use

9. This certificate addressed to and provided to the Board of Directors of the Company is solely for the purpose of submit to the Debenture Trustees to enable comply with requirements of the deed and should not be used for any other purpose. Accordingly, we do not accept or assume any liability or any duty of

care for any other purpose or to any other person to whom this certificate is shown or in to whose hands it may come without our prior consent in writing.

Thrissur

Dated February 06th, 2025

For MOHANDAS & ASSOCIATES
Chartered Accountants
FRN : 002116S

Mohandas Anchery
Partner
Membership No. 036726
UDIN: 25036726BMHUBV3797

Annexure I: Security Cover as on 31.12.2024

Column A	Column B	Column Ci	Column Dii	Column Eiii	Column Fiv	Column Gv	Column Hvi	Column Ivii	Column J	Colum n K	Column L	Column M	Column N	Column O
Particulars		Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge	Other assets on which there is pari- Passu charge (excludin g items covered in column F		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetsviii	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+ M+ N)
												Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment	This represents vehicle's WDV		146.91	No			19,988.00		20,134.91					
Capital Work-in-Progress														
Right of Use Assets														
Goodwill														
Intangible Assets							323.59		323.59					
Intangible Assets under Developme nt														
Investments							989.56		989.56					
Loans	This represents Gold Loan Receivables including NPAs			Yes	3,51,650.71				3,51,650.71				3,51,650.71	3,51,650.71
	This represents loan against property						345.70		345.70					
	This represents Micro Finance Loan Receivables		9,338.60	No			20,279.61		29,618.21					
Inventories														
Trade Receivable s														
Cash and Cash Equivalents	Cash and Bank balances			Yes	10,971.02				10,971.02				10,971.02	10,971.02
Bank Balances other than Cash and Cash Equivalents	This represents Bank Balances other than Cash andCash Equivalents			Yes	45,231.94				45,231.94				45,231.94	45,231.94
	This represents FD for MF loans		799.19	No					799.19					
	This represents FD for DRR		1,265.52	No					1,265.52					
	This represents FD given as Bank Guarantees *		1,169.04	No					1,169.04					
Others							7,704.29		7,704.29					
Total			12,719.26	0.00	4,07,853.67	0.00	49,630.75	0.00	4,70,203.68				4,07,853.67	4,07,853.67
LIABILITIE S														
Debt securities to which this certificate pertains	Secured Public NCD			Yes	87,647.84		16,363.25		1,04,011.09					

Continuation sheet

MOHANDAS & ASSOCIATES
CHARTERED ACCOUNTANTS

MUTHOOTTU MINI FINANCIERS LTD.

F 15

Other debt sharing pari-passu charge with above debt															
Other Debt															
Subordinated debt		*not to be filled*					34,242.62		34,242.62						
Borrowings															
Bank			8,427.47	No	1,95,772.50				2,04,199.97						
Debt Securities				No	25041.10		17489.57		42530.67						
Others															
Trade payables															
Lease Liabilities															
Provisions															
Others															
Total			8,427.47	-	3,08,461.44	-	85,219.33 1,53,314.77	-	85,219.33 4,70,203.68	0.00					
Cover on Book Value															
Cover on Market Value[b]															
		Exclusive Security Cover Ratio[**]	1.51	**Pari-Passu Security Cover Ratio**	1.32										

*1169.04 represents bank guarantee for contingient liabilities.

NOTE
We confirm that company has complied all tho Covenants / terms of issue in the respect of listed debt securities

Nizzy Mathew (DIN: 01680739)
Whole-time Director

MOHANDAS & ASSOCIATES
CHARTERED ACCOUNTANTS

Continuation sheet

Ramdas & Venugopal
CHARTERED ACCOUNTANTS
No. 7A, Green Park, Shornur Road,
Thiruvambady P. O., Thrissur - 680 022

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, 2024, 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, 2024, 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

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

Partners :
CA. M. Ramdas, FCA
CA. Shajan. T. T., FCA, DISA (ICAI)
CA. Silpa Ramdas, FCA, DISA, DIRM (ICAI)

Head Office : Thrissur
Branch Offices :
1. Ernakulam, 2. Guruvayur
Phone : 0487-2321246, 2331246
E-mail : randvtcr@yahoo.co.in

Sl.No	Key Audit Matter	Auditor Response
1	Expected credit loss on loans and advance	
	The estimation of ECL on financial instruments involves significant judgments and estimates. As part of our risk assessment, we determined that the allowance for ECL on Loans Assets has a high degree of estimation of uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: Data inputs: The application of ECL model requires several data inputs Model Estimations: Inherently judgment models used for the estimation of probabilities of Default (PD), Loss given default (LGD) and Exposure at Default (EAD). The PD and LGD are the key drivers of the estimation of ECL. Qualitative and quantitative factors used in staging the loan assets measured at amortized cost. IndAS 109 requires the entity to measure the ECL on an unbiased forward looking basis reflecting a range of future economic conditions. The management measure the ECL considering the	We performed the following audit procedures: Testing the design and effectiveness of internal controls over the following: Key controls over the completeness and accuracy of key inputs, data and assumptions into the Ind AS 109 impairment models. Key controls over the application of the staging criteria consistent with the definition applied in accordance with the policy approved by the board of directors including the appropriateness of the qualitative factors Management control over authorization and calculation of post model adjustments and management overlays to the output of the ECL model Also, for a sample of ECL allowance on loan assets tested in respect of Key Inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data, Reasonableness and weights. We tested the mathematical accuracy of ECL calculations using the same inputs used by the company. Testing management's controls on compliance with disclosures to confirm the compliance with the relevant provisions of Ind AS 109 and the RBI directions. Evaluating the changes and updations during the year whether those changes and updates are appropriate or not.

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	historical trends as well as considering macro-economic emerging trends.	

	Information Technology Systems and controls	
	The company's Key financial accounting and reporting process are highly dependent on the automated controls over the companies IT system, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system changeover of key financial accounting and reporting systems as a key audit matter.	We performed the following audit procedures: Tested IT key controls over financial accounting and reporting system including access mechanism and processing of reports. Obtained management evaluation of access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample expectations. Evaluate the design and operating effectiveness of automated controls critical to financial accounting and reporting on random basis Considering the reports issued by the professional consultants with respect to IS Audit and IT Infrastructure.

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.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

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.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

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 diselosures 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.

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

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 Bankof 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, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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 ourinformation 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 5,03,497.00 being unclaimed matured debentures has been transferred to Investor Education & Protection Fund on 31.03.2024. 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 31.03.2024.

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.

4. Based on our examination which included test checks the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

For RAMDAS & VENUGOPAL
Chartered Accountants
Firm Registration No: 010669S

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

CA SILPA RAMDAS, FCA, DISA, DIRM(ICAI)
[Partner]
Membership No.211972
UDIN: 24211972BKECLW1054

Thrissur
Dated May 27th 2024

Ramdas & Venugopal
CHARTERED ACCOUNTANTS
No. 7A, Green Park, Shornur Road,
Thiruvambady P. O., Thrissur - 680 022

The Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of Our Report of even date to the members of Muthoottu Mini Financiers Limited on the accounts of the company for the year ended 31st March, 2024.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

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

(B) The Company has maintained 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) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company;

d) The company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets or both during the year;

e) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;

ii) a) The Company is a Non-Banking Financial Company engaged in the business of providing loans and does not hold any type of physical inventories. Therefore, the provisions of paragraph 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

b) During the year, the company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions on the basis of security of current assets including receivables. The statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

Partners :
CA. M. Ramdas, FCA
CA. Shajan. T. T., FCA, DISA (ICAI)
CA. Silpa Ramdas, FCA, DISA, DIRM (ICAI)

Head Office : Thrissur
Branch Offices :
1. Ernakulam, 2. Guruvayur
Phone : 0487-2321246, 2331246
E-mail : randvtcr@yahoo.co.in

iii)

a) The Company is a Non- Banking Financial Company engaged in the principal business of providing loans. Therefore, the provisions of paragraph 3(iii)(a) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

b) The terms and conditions of all the loans and advances granted by the company during the year 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 6447 loans, outstanding amounting to Rs. 3114.31 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.3114.31Lakhs, against which appropriate provision has been made. The company has taken necessary steps for the recovery of principal and interest. The details are given in the below table.

₹ in lakhs

Type of Loan	No of Loans	Principal Overdue	Remarks
Gold Loan	3676	2368.56	Since it's a NBFC their principal business is to give loans. The loans for which overdue for more than 90 days are treated as irregular and these cases are classified as NPA as per RBI IRACP norms. The income recognition of the above has been done as per RBI IRACP norms.
Micro finance	2770	653.82	
Loan against property	1	91.93	
TOTAL	6447	3114.31	

e) The Company is a Non-Banking Financial Company engaged in the principal business of providing loans. Therefore, the provisions of paragraph 3(iii) (e) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

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 31.03.2024 is Rs. 3,05,744.34 lakhs which constitute 90% 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) The Company has not accepted any Deposits or amounts which are deemed to be deposits from the public. Therefore the Directives issued by the Reserve Bank Of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable to the Company. The Company has not received any order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard;

vi) Being a Non-Banking Finance Company, maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013;

vii) a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities wherever applicable to it. 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) There are no transactions which were not recorded in the books of account 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 14 fraud case amounting to Rs.122.15 lakhs reported in the company during the year, out of which 6 cases were in respect of spurious gold pledged with the company in 6 branches amounting to Rs.33.29 lakhs on which 30.35 Lakhs recovered during the year and 100% provision has been made for the balance outstanding.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

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 us on a random basis, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work

of Internal Auditors".

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 requlred 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 ls not a Core Investment Company (ClC) as defined in the regulations made by the Reserve Bank of India.

(d) There are no ClCs as part of the Group to which the company belongs

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) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable / paragraph 3(xviii) of the Order is not applicable

xix) 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, our 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 wben they fall due within a period of one year from the balance sheet date;

xx) a) In respect of other than ongoing projects, the company transferred to the Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to Section 135(5) of said Act;

b) In respect of ongoing projects, the company does not have any unspent amount under sub-section (5) of section 135 of the Companies Act, 2013, to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;

xxi) Since this is a standalone financial statement Paragraph 3 (xxi) is not applicable.

For RAMDAS & VENUGOPAL
Chartered Accountants
Firm Registration No: 010669S

CA SILPA RAMDAS FCA, DISA, DIRM(ICAI)
[Partner]
Membership No.211972
UDIN:24211972BKECLW1054

Thrissur
Dated May 27th 2024

Ramdas & Venugopal
CHARTERED ACCOUNTANTS
No. 7A, Green Park, Shornur Road,
Thiruvambady P. O., Thrissur - 680 022

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, 2024, 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 and issued our audit opinion dated 27th May 2024 thereon. These financial statements are the responsibility of the Company's management. Our responsibility was to express an opinion on these financial statements based on our audit. Our audit was conducted in the manner specified in the audit report. As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 2016, and according to the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder 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, 2024

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.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Partners :
CA. M. Ramdas, FCA
CA. Shajan. T. T., FCA, DISA (ICAI)
CA. Silpa Ramdas, FCA, DISA, DIRM (ICAI)

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Branch Offices :
1. Ernakulam, 2. Guruvayur
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E-mail : randvtcr@yahoo.co.in

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, 2024

ix. We have no responsibility to update this report for events and circumstances occurring after the date of our audit opinion mentioned in paragraph 1.

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
Firm Registration No: 010669S

CA SILPA RAMDAS, FCA, DISA, DIRM(ICAI)
[Partner]
Membership No.211972
UDIN: 24211972BKECLW1054

Thrissur
Dated May 27th 2024

Ramdas & Venugopal
CHARTERED ACCOUNTANTS
No. 7A, Green Park, Shornur Road,
Thiruvambady P. O., Thrissur - 680 022

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 2024.

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(i) 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, 2024 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note 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

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

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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 aecepted 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

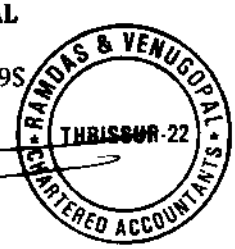
iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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.

For RAMDAS & VENUGOPAL
Chartered Accountants
Firm Registration No: 010669S



CA SILPA RAMDAS, FCA, DISA, DIRM(ICAI)
[Partner]
Membership No.211972
UDIN: 24211972BKECLW1054

Thrissur
Dated May 27th 2024

MUTHOOTTU MINI FINANCIERS LIMITED
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
BALANCE SHEET

(Rupees in Lakhs)

Particulars	Note No.	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
I. ASSETS			
1 Financial assets			
a) Cash and cash equivalents	1.1	10,269.47	4,013.72
b) Bank Balance other than (a) above	1.2	44,857.57	31,488.71
c) Receivables			
(I) Trade receivables			
(II) Other receivables			
d) Loans	2	3,49,807.61	3,24,398.88
e) Investments	3	992.14	980.53
f) Other financial assets	4	2,026.45	2,386.03
2 Non-financial Assets			
a) Inventories			
b) Current tax assets (Net)		2,199.95	1,789.42
c) Deferred tax assets (Net)		215.09	220.02
d) Property, Plant and Equipment	5	19,923.16	19,389.58
e) Other intangible assets	6	222.96	76.30
f) Other non-financial assets	7	1,043.07	1,069.29
Total Assets		**4,31,557.47**	**3,85,812.48**
II. LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Debt Securities	8	1,36,226.23	1,43,772.51
b) Borrowings (other than debt securities)	9	1,91,229.90	1,52,665.35
c) Subordinated liabilities	10	30,664.31	24,300.29
d) Other financial liabilities	11	1,694.17	1,739.64
2 Non-financial Liabilities			
a) Provisions	12	581.62	509.34
b) Other non-financial liabilities	13	576.82	306.24
3 EQUITY			
a) Equity share capital	14	25,032.54	24,952.54
b) Other equity	15	45,551.88	37,566.57
Total Liabilities and Equity		**4,31,557.47**	**3,85,812.48**

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

CA Silpa Ramdas, FCA, DISA, DIRM
Partner (M.No.211972)

P.E.Mathai
Chief Executive Officer

Ann Mary George, ACA
Chief Financial Officer

K S Smitha, ACS
Company Secretary

Place: Kochi
Date: 27th May, 2024

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

MUTHOOTTU MINI FINANCIERS LIMITED
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
STATEMENT OF PROFIT AND LOSS

(Rupees in Lakhs)

	Particulars	Note No.	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
	Revenue from operations			
(i)	Interest income	16	65,317.38	53,352.64
(ii)	Other income on loans	17	1,030.89	769.65
(iii)	Dividend income		22.67	-
(iv)	Rental income		168.66	119.04
(v)	Fees and Commission income		249.09	109.71
(vi)	Net gain on derecognition of financial instruments under amortised cost category		-	-
(vii)	Net gain on fair value changes	18	9.13	4.16
(viii)	Sales of services	19	23.03	16.25
(I)	**Total Revenue from operations**		**66,820.85**	**54,371.45**
(II)	Other Income	20	363.06	72.51
(III)	**Total Income (I + II)**		**67,183.91**	**54,443.96**
	Expenses			
(i)	Finance costs	21	34,530.94	28,349.16
(ii)	Net loss on fair value changes	18		
(iii)	Impairment on financial instruments	22	694.71	(228.67)
(iv)	Employee benefits expenses	23	12,458.58	11,108.19
(v)	Depreciation, amortization and impairment	24	1,038.40	647.83
(vi)	Other expenses	25	7,405.52	6,390.23
(IV)	**Total Expenses (IV)**		**56,128.15**	**46,266.74**
(V)	**Profit before tax (III- IV)**		**11,055.76**	**8,177.22**
(VI)				
	Tax Expense:			
	(1) Current tax		3,258.12	1,374.76
	(2) Earlier years adjustments			
	(3) Deferred tax		14.50	74.01
(VII)	**Profit for the year (V- VI)**		**7,783.14**	**6,728.45**
A)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of defined benefit plans		(27.41)	20.50
	- 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		9.58	-
	Subtotal (A)		**(17.83)**	**20.50**
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		-	-
	Subtotal (B)		-	-
(VIII)	**Other Comprehensive Income (A + B) (VIII)**		**(17.83)**	**20.50**
(IX)	**Total Comprehensive Income for the year (VII+VIII)**		**7,765.31**	**6,748.95**
	Earnings per equity share			
	(Face value of Rs. 100/- each)			
	Basic (Rs.)	26	31.19	26.96
	Diluted (Rs.)	26	31.19	26.96

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

For Ramdas & Venugopal
Chartered Accountants (FRN.010569S)

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

CA Silpa Ramdas, FCA, DISA, DIRM
Partner (M.No.211972)

P.E.Mathai
Chief Executive Officer

Ann Mary George, ACA
Chief Financial Officer

K S Smitha, ACS
Company Secretary

Place: Kochi
Date: 27th May, 2024

CASH FLOW STATEMENT
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
CASH FLOW STATEMENT

(Rupees in Lakhs)

Particulars	Period ended March 31st, 2024 (Audited)		For the year Ended March, 2023 (Audited)	
A. Cash Flow from Operating Activities				
Profit before tax		11,055.76		8,177.22
Adjustments for :				
Impairment on financial instruments	694.71		-228.67	
Net (gain)/loss on fair value changes	-9.13		-4.16	
Net (Profit) / Loss on Sale of assets	-6.80		-8.81	
Finance Costs	34,530.94		28,349.16	
Depreciation, amortization and impairment	1,038.40		647.83	
Income from Non-Operating Business				
- Rental Income	-168.66		-119.04	
- Dividend Income	-22.67	36,056.79	-	28,636.31
Operating Profit / (Loss) before working capital Adjustments		47,112.55		36,813.53
Adjustments for :				
Loans	-26,084.84		-76,498.62	
Investments	-2.48		-71.80	
Other financial assets	340.98		-211.56	
Other non financial assets	26.22		-455.90	
Bank Balance other than "Cash and cash equivalents"	-13,368.86		-16,364.17	
Provisions	44.87		18.14	
Other financial liabilities	-45.48		267.15	
Other non financial liabilities	270.58	-38,819.01	10.62	-93,306.14
Cash Generated from operations		8,293.54		-56,492.61
Income Tax paid		-3,668.65		-823.90
Finance cost paid		-34,484.56		-28,079.84
Net Cash Flow from Operating Activity		-29,859.67		-85,396.35
B. Cash Flow from Investment Activities				
Dividend Income		22.67		-
Rental Income		168.66		119.04
Sale of Fixed Assets		37.25		38.91
Purchase of Fixed Assets		-1,749.07		-1,678.15
Net Cash Flow from Investment Activity		-1,520.49		-1,520.20
C. Cash Flow from Financing Activity				
Proceeds from issue of equity share capital (including share premium)		300.00		-
Net increase/(Decrease) in Borrowings(other than debt securities)		38,564.55		75,343.74
Net Increase/(Decrease) in Subdebt		6,364.02		-2,286.92
Net Increase/(Decrease) in Debt Securities		-7,592.66		-17,659.28
Net Cash Flow from Financing Activity		37,635.91		55,397.54
Net Increase/(Decrease)in Cash & Cash Equivalents(A+B+C)		6,255.75		-31,519.01
Opening Balance of Cash & Cash Equivalents		4,013.72		35,532.73
Closing Balance of Cash & Cash Equivalents		10,269.47		4,013.72
Components of Cash and Cash Equivalents				
Current Account with Banks		5,915.39		3,110.24
Deposit with Banks		2,535.42		-
Cash in Hand		1,818.66		903.48
		10,269.47		4,013.72

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

CA Silpa Ramdas, FCA, DISA, DIRM
Partner (M.No.211972)

P.E.Mathai
Chief Executive Officer

Ann Mary George, ACA
Chief Financial Officer

K S Smitha, ACS
Company Secretary

Place: Kochi
Date: 27th May, 2024

MUTHOOTTU MINI FINANCIERS LIMITED
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 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
As at the beginning of the period	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	80.00	-
Balance at the end of current reporting period	25,032.54	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	Impairment Reserve	Debenture Redemption Reserve	Revaluation Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income (Remeasurement of defined benefit plans)	
Balance as at March 31, 2022	6,300.56	7,844.15	-	-	350.00	16,537.16	-	-214.25	30,817.62
Transfer from Retained earnings	1,349.79		167.95						1,517.74
Securities premium on share options exercised during the year									-
Amount transferred									-
Profit for the period						6,728.45		20.50	6,748.95
Transfer to Special Reserve Fund						-1,349.79			-1,349.79
Transfer from/(to) Debenture Redemption Reserve				-		-			-
Transfer to Impairment Reserve						-167.95			
Balance as at March 31, 2023	7,650.35	7,844.15	167.95	-	350.00	21,747.87	-	-193.75	37,566.57
Transfer from Retained earnings	1,553.06	-							1,553.06
Securities premium on share options exercised during the year		220.00							220.00
Amount transferred									-
Profit for the period						7,783.14		-17.83	7,765.31
Transfer to Special Reserve Fund						-1,553.06			-1,553.06
Transfer from/(to) Debenture Redemption Reserve									-
Transfer to Impairment Reserve						-			
Balance as at March 31, 2024	9,203.41	8,064.15	167.95	-	350.00	27,977.94	-	-211.58	45,551.88

See accompanying notes to the financial statements

For Muthoottu Mini Financiers Limited

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

P.E.Mathai
Chief Executive Officer

Ann Mary George, ACA
Chief Financial Officer

K S Smitha, ACS
Company Secretary

As per our report of even date attached

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

CA Silpa Ramdas, FCA, DISA, DIRM
Partner (M.No.211972)

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

Place: Kochi
Date: 27th May, 2024

MUTHOOTTU MINI FINANCIERS LIMITED * KOCHI 682 017

Notes to financial statements

Note 1.1: Cash and cash equivalents

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Cash on hand	1,818.66	903.48
Balances with Banks		
- in current accounts	5,915.39	3,110.24
- in fixed deposit (maturing within a period of three months)	2,535.42	-
Total	**10,269.47**	**4,013.72**

Note 1.2: Bank balance other than cash and cash equivalents

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Fixed deposits with bank (maturing after period of three months)	44,857.57	31,488.71
Total	**44,857.57**	**31,488.71**

Note 1.3 : Additional details of Fixed Deposits

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Fixed deposits given as security for borrowings	42,559.46	29,772.00
Fixed deposits given as security for guarantees	1,246.17	1,716.71
Fixed deposits held for redemption of debentures	1,052.00	-
Free held fixed deposits	2,535.36	-
Total	**47,392.99**	**31,488.71**

Notes to financial statements

Note 2: Loans **(Rupees in Lakhs)**

Particulars	As at March 31st, 2024 (Audited)					
	Amortised Cost	At Fair value				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	3,52,277.57				-	3,52,277.57
iii) Leasing					-	-
iv) Factoring					-	-
v) Others					-	-
Total (A) - Gross	**3,52,277.57**					**3,52,277.57**
Less: Impairment loss allowance	2,469.96				-	2,469.96
Total (A) - Net	**3,49,807.61**	-	-	-	-	**3,49,807.61**
(B)						
I) Secured by tangible assets						
Gold Loan	3,22,221.23					3,22,221.23
Loan Against Property	643.23					643.23
Total (I) - Gross	**3,22,864.46**	-	-	-	-	**3,22,864.46**
Less: Impairment loss allowance	1,757.86					1,757.86
Total (I) - Net	**3,21,106.60**	-	-	-	-	**3,21,106.60**
II) Covered by Bank / Government Guarantees	-	-	-	-	-	-
Total (II) - Net	-	-	-	-	-	-
III) Unsecured						
Microfinance	29,413.11					29,413.11
Total (III) - Gross	**29,413.11**	-	-	-	-	**29,413.11**
Less: Impairment loss allowance	712.10					712.10
Total (III) - Net	**28,701.01**	-	-	-	-	**28,701.01**
Total (B) (I+II+III) - Net	**3,49,807.61**					**3,49,807.61**
(C) (I) Loans in India						
i) Public Sector						-
ii) Others	3,52,277.57					3,52,277.57
(C) (II) Loans outside India	-					
Total (C) - Gross	**3,52,277.57**	-	-	-	-	**3,52,277.57**
Less: Impairment loss allowance	2,469.96					2,469.96
Total (C)- Net	**3,49,807.61**	-	-	-	-	**3,49,807.61**

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

THENGAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

Notes to financial statements

(Rupees in Lakhs)

Particulars	As at March 31, 2023 (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	3,26,278.27				-	3,26,278.27
iii) Leasing					-	-
iv) Factoring					-	-
v) Others					-	-
Total (A) - Gross	**3,26,278.27**					**3,26,278.27**
Less: Impairment loss allowance	1,879.39				-	1,879.39
Total (A) - Net	**3,24,398.88**	-	-	-	-	**3,24,398.88**
(B)						
I) Secured by tangible assets						
Gold Loan	3,04,876.78					3,04,876.78
Loan Against Property	688.32					688.32
Total (I) - Gross	**3,05,565.10**	-	-	-	-	**3,05,565.10**
Less: Impairment loss allowance	1,415.00					1,415.00
Total (I) - Net	**3,04,150.10**	-	-	-	-	**3,04,150.10**
II) Covered by Bank /						
III) Unsecured						
Microfinance	20,713.17					20,713.17
Total (III) - Gross	**20,713.17**	-	-	-	-	**20,713.17**
Less: Impairment loss allowance	464.39					464.39
Total (III) - Net	**20,248.78**	-	-	-	-	**20,248.78**
Total (B) (I+II+III) - Net	**3,24,398.88**					**3,24,398.88**
(C) (I) Loans in India						
i) Public Sector						-
ii) Others	3,26,278.27					3,26,278.27
(C) (II) Loans outside India	-					
Total (C) - Gross	**3,26,278.27**	-	-	-	-	**3,26,278.27**
Less: Impairment loss allowance	1,879.39					1,879.39
Total (C)- Net	**3,24,398.88**	-	-	-	-	**3,24,398.88**

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).

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'.

During current financial year, no amount is appropriated from the net profit after tax to separate impairment reserve since the difference between ECL provision computed as per the policy laid down under significant accounting policies & the provision as per IRACP norms as on balance sheet date is Rs 117.78 lakhs which is lesser than the provision already created in previous year Rs 167.95 lakhs.

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

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements
Reconciliation of Loan Outstanding

(Rupees in Lakhs)

Year ended March 31, 2024				
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	3,16,459.63	8,418.83	1,399.81	3,26,278.27
Assets/increase/(Decrease) in	9,33,177.54	2,326.36	-	9,35,503.90
Assets repaid	-9,02,483.66	-6,643.73	-291.33	-9,09,418.72
Transfer to Stage 1	-16,138.32			-16,138.32
Transfer to Stage 2		14,117.11		14,117.11
Transfer to Stage 3			2,021.21	2,021.21
Write off	-67.65	-2.84	-15.39	-85.87
Closing carrying amount	3,30,947.53	18,215.73	3,114.32	3,52,277.58

Year ended March 31, 2023				
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	2,38,296.72	10,037.39	1,526.35	2,49,860.46
Assets/increase/(Decrease) in	9,55,537.33	282.61	-65.65	9,55,754.29
Assets repaid	-8,70,362.00	-8,552.76	-419.23	-8,79,333.99
Transfer to Stage 1	-7,021.84			-7,021.84
Transfer to Stage 2		6,658.34		6,658.34
Transfer to Stage 3			363.50	363.50
Write off	9.42	-6.75	-5.16	-2.49
Closing carrying amount	3,16,459.63	8,418.83	1,399.81	3,26,278.27

Reconciliation of ECL Balance

(Rupees in Lakhs)

Year ended March 31, 2024				
ECL	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,642.32	51.95	185.12	1,879.39
New Assets/increase in Interest accured	4,114.00	9.76	-	4,123.76
Assets repaid	-3,868.28	-30.91	-43.03	-3,942.22
Transfer from Stage 1	-91.64			-91.64
Transfer to Stage 2		62.09		62.09
Transfer to Stage 3			392.25	392.25
Write off	-1.06	-0.05	-2.25	-3.36
Impact of revision of ECL rates	-	-	49.67	49.67
Impact of MTM Loss	-	-	-	-
Additional Provision	-	-	-	-
Closing carrying amount	1,795.35	92.85	581.76	2,469.96

Year ended March 31, 2023				
ECL	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,493.15	60.61	227.47	1,781.23
New Assets/increase in Interest accured	5,823.38	1.55	-	5,824.93
Assets repaid	-5,150.43	-55.80	-58.06	-5,264.29
Transfer from Stage 1	-46.04			-46.04
Transfer to Stage 2		43.84		43.84
Transfer to Stage 3			46.84	46.84
Write off	-0.06	-0.06	-18.76	-18.88
Impact of revision of ECL rates	-482.72	-9.17	-12.37	-504.26
Impact of MTM Loss	-	-	-	-
Additional Provision	5.04	10.98	-	16.02
Closing carrying amount	1,642.32	51.95	185.12	1,879.39

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

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	2023-2024	2022-23
Provision for Standard Assets		
Provision at the beginning of the year	1,694.26	1,968.38
Additional provision made during the year	193.93	-274.12
Provision at the close of the year	**1,888.19**	**1,694.26**
Non-Performing Assets	**As at 31st March 2024**	**As at 31st March 2023**
Sub-standard Assets	173.90	24.83
Doubtful Assets (Upto 1year)	65.11	43.87
Doubtful Assets (1 - 3 years)	24.13	33.33
Doubtful Assets (More than 3 years)	157.42	74.27
Loss Assets	161.21	8.83
Total Non-performing Assets	581.77	185.13
Provision for non-performing assets	**2023-2024**	**2022-23**
Provision at the beginning of the year	185.13	227.47
Additional provision made during the year	396.64	-42.34
Provision at the close of the year	581.77	185.13

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 31/03/2024 **(Rupees in Lakhs)**

Internal Rating	Stage 1	Stage 2	Stage 3	Grand Total
High grade	3,30,947.53	-	-	3,30,947.53
Medium grade	-	18,215.73	-	18,215.73
Low grade	-	-	3,114.32	3,114.32
Total	3,30,947.53	18,215.73	3,114.32	3,52,277.58

As on 31/03/2023 **(Rupees in Lakhs)**

Internal Rating	Stage 1	Stage 2	Stage 3	Grand Total
High grade	3,16,459.63	-	-	3,16,459.63
Medium grade	-	8,418.83	-	8,418.83
Low grade	-	-	1,399.81	1,399.81
Total	3,16,459.63	8,418.83	1,399.81	3,26,278.27

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

Note 3: Investments **(Rupees in Lakhs)**

Particulars	As at March 31st, 2024 (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		
i) Mutual funds					-		-
ii) Government securities					-		-
iii) Debt securities					-		-
iv) Equity instruments							
Subsidiaries					-		-
Others			992.14		992.14		**992.14**
Total Gross (A)	-	-	**992.14**	-	**992.14**	-	**992.14**
i) Investments outside India					-		-
ii) Investments in India	-	-	992.14		992.14	-	**992.14**
Total Gross (B)	-	-	**992.14**	-	**992.14**	-	**992.14**
Less: Allowance for impairment loss (C)	-						
Total - Net D = (A) - (C)	-	-	**992.14**	-	**992.14**	-	**992.14**

(Rupees in Lakhs)

Particulars	As at March 31, 2023 (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		
i) Mutual funds					-	-	-
ii) Government securities					-	-	-
iii) Debt securities					-	-	-
iv) Equity instruments							
Subsidiaries					-	-	-
Others			980.53		980.53	-	**980.53**
Total Gross (A)	-	-	**980.53**	-	**980.53**	-	**980.53**
i) Investments outside India					-	-	-
ii) Investments in India	-	-	980.53		980.53	-	**980.53**
Total Gross (B)	-	-	**980.53**	-	**980.53**	-	**980.53**

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Less: Allowance for	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	**-**	**-**	**980.53**	**-**	**980.53**	**-**	**980.53**

3.1 Details of investments are as follows :-

Equity instruments **(Rupees in Lakhs)**

Particulars	As at March 31st, 2024 (Audited)		As at March 31, 2023 (Audited)	
	Number	Amount	Number	Amount
Subsidiaries				
Quoted				
Unquoted				
Subtotal	-	-	-	-
Others				
Quoted				
Wonderla Holidays Ltd	503	4.98	503	2.15
The South Indian Bank Limited	56,275	15.36	45,020	6.58
Unquoted				
Cochin International Airport Ltd	6,43,591	971.80	5,00,000	900.00
Share application money pending allotment		-		71.80
Subtotal	**7,00,369**	**992.14**	**5,45,523**	**980.53**
Total	**7,00,369**	**992.14**	**5,45,523**	**980.53**

Note 4: Other financial assets **(Rupees in Lakhs)**

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Security deposits		
Rent Deposit	1,774.07	1,723.90
Security Deposit with NSE, BSE & CDSL	30.57	404.08
Security Deposit*	50.00	50.00
Electricity Deposit	5.32	0.81
Insurance deposit	2.51	20.31
Court deposit**	0.75	0.75
Other Receivables		
Commission/Incentive Receivable	45.54	31.12
Third Party	77.23	130.44
Rent Receivable	40.46	24.62
Total	**2,026.45**	**2,386.03**

*Robbery Case
**Industrial Tribunal-I Hyderabad

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

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
Gross block- at cost									
As at March 31, 2022	14,509.62	3,352.75	812.63	1,647.01	449.24	134.35	82.54	20,988.14	-
Additions	-	7.03	172.69	835.68	322.42	227.72	62.94	1,628.46	
Disposals	(13.26)	-	(0.36)	(15.74)	(0.74)	-	-	(30.10)	
As at March 31, 2023	14,496.36	3,359.78	984.96	2,466.95	770.92	362.07	145.48	22,586.50	-
Additions	-	-	259.59	825.86	299.43	109.65	73.29	1,567.82	
Disposals	-	-	(12.43)	(13.39)	(1.12)	(2.60)	(0.91)	(30.45)	
As at March 31, 2024	14,496.36	3,359.78	1,232.12	3,279.42	1,069.23	469.12	217.86	24,123.87	
Accumulated depreciation									
As at March 31, 2022	-	715.52	399.98	1,021.90	286.44	84.80	51.13	2,559.77	-
Charge for the period	-	149.62	96.81	157.00	170.03	55.94	7.75	637.15	-
Disposals	-	-	-	-	-	-	-	-	
As at March 31, 2023	-	865.14	496.79	1,178.90	456.47	140.74	58.88	3,196.92	-
Charge for the period	-	140.39	122.01	365.45	272.23	72.58	31.15	1,003.81	-
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	1,005.53	618.80	1,544.35	728.70	213.32	90.03	4,200.73	-
Net Block									
As at March 31, 2022	14,509.62	2,637.23	412.65	625.11	162.80	49.55	31.41	18,428.37	-
As at March 31, 2023	14,496.36	2,494.64	488.17	1,288.05	314.45	221.33	86.60	19,389.58	-
As at March 31, 2024	14,496.36	2,354.25	613.31	1,735.06	340.53	255.81	127.84	19,923.16	-

MUTHOOTTU MINI FINANCIERS LIMITED * KOCHI 682 017

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

Notes to financial statements

Note 6: Other Intangible Assets **(Rupees in Lakhs)**

Particulars	Computer Software	Intangible assets under development	Total
Gross block- at cost			
As at March 31, 2022	**38.08**	-	**38.08**
Additions	**49.67**	27.08	76.75
Disposals*			-
As at March 31, 2023	**87.75**	**27.08**	**114.83**
Additions	**50.92**	**130.33**	**181.25**
Disposals			-
As at March 31, 2024	**138.67**	**157.41**	**296.08**
Accumulated amortisation			
As at March 31, 2022	**27.84**	-	**27.84**
Additions	10.69		10.69
Disposals			-
As at March 31, 2023	**38.53**	-	**38.53**
Additions	**34.59**		**34.59**
Disposals			-
As at March 31, 2024	**73.12**	-	**73.12**
Net book value:			
As at March 31, 2022	**10.24**	-	**10.24**
As at March 31, 2023	**49.22**	**27.08**	**76.30**
As at March 31, 2024	**65.54**	**157.41**	**222.96**

Note 6.1 Intangible assets under development aging schedule

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	130.33	27.08			157.41

Note 7: Other Non-financial assets **(Rupees in Lakhs)**

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Balances with government authorities -GST Receivable	800.43	597.02
Other Advances/Receivables**	242.64	472.27
Total	**1,043.07**	**1,069.29**

**includes capital advance of ₹46.50 lakhs paid to LCode Technologies Pvt. Ltd. on 28.01.2020 for implementing the software product 'Reach NBFC Prosper System' with proper Service Level Agreement at place. However, due to the continuous failure of the software after implementation and considering the non-responsive attitude of LCode towards the issues, a show cause notice was served dated 21.02.2022, and thereafter a termination notice dated 17.05.2022 through our advocates Menon & Pai claiming the refund of Rs.46.50 lakhs with interest plus Rs.1.68 crores towards compensation. Currently the case is pending for arbitration proceedings before the Arbitral Tribunal. Kochi. A provision of 32.55 lakhs equivalent to 70% of advance is created as of 31.03.2024.

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RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

Note 8: Debt Securities (Rupees in Lakhs)

Particulars	As at March 31st, 2024 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Debt securities in India				
(i) Secured, Privately Placed NCD	15,544.42			15,544.42
(ii) Secured, Redeemable NCD Public Issue	1,05,372.00			1,05,372.00
(iii) Unsecured Public Placed NCD	15,630.08			15,630.08
(iv) Unsecured Privately Placed NCD	216.37			216.37
(v) Unclaimed Matured Debentures	182.09			182.09
(vi) Unamortized expense of public issue	-718.73			-718.73
Total (A)	**1,36,226.23**	-	-	**1,36,226.23**
Debt securities in India	1,36,226.23	-	-	1,36,226.23
Debt securities outside India	-	-	-	-
Total (B)	1,36,226.23	-	-	1,36,226.23

Particulars	As at March 31, 2023 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Debt securities in India				
(i) Secured, Privately Placed NCD	538.59			538.59
(ii) Secured, Redeemable NCD Public Issue	1,28,846.01			1,28,846.01
(iii) Unsecured Public Placed NCD	14,879.64			14,879.64
(iv) Unclaimed Matured Debentures	273.38			273.38
(v) Unamortized expense of public issue	-765.11			-765.11
Total (A)	**1,43,772.51**	-	-	**1,43,772.51**
Debt securities in India	1,43,772.51	-	-	1,43,772.51
Debt securities outside India	-	-	-	-
Total (B)	1,43,772.51	-	-	1,43,772.51

8.1 Secured Redeemable Non-Convertible Debentures – Listed

The outstanding amount of Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue stood at ₹1,05,372.00 lakhs (Previous Year: ₹1,28,846.01 lakhs). During the FY 2023-2024, No Secured Redeemable NCD was issued (Previous year : ₹24,326.63 lakh).

Date of Maturity	Sum of Amount	Interest rate
17-04-2024	4,657.91	10.22%
24-04-2024	5,277.87	10.00% - 10.47%
22-05-2024	6,472.96	8.50% - 8.90%
14-08-2024	4,727.33	10.00%
31-08-2024	2,446.81	10.22%
12-09-2024	5,209.37	10.35% - 10.65%
02-11-2024	2,514.73	9.75%
29-11-2024	1,068.31	10.22%
02-01-2025	2,152.91	9.50%
23-01-2025	1,207.82	10.22%
17-02-2025	2,727.43	10.50%
15-03-2025	4,404.22	9.50%
22-05-2025	3,391.96	9.25%
01-07-2025	3,684.44	10.50%
02-07-2025	1,712.35	10.22%
29-09-2025	3,122.00	10.50%
15-11-2025	4,320.24	10.22%
21-11-2025	3,624.01	10.50%
17-12-2025	246.38	10.07%
02-01-2026	6,181.80	9.75%
22-05-2026	9,070.27	9.50%
14-08-2026	3,017.13	10.71%
17-03-2027	6,321.37	10.28%
02-07-2027	3,266.39	10.13%
31-07-2027	4,587.55	10.28%
29-10-2027	2,282.14	10.28%
22-11-2027	5,218.32	10.00%
23-12-2027	2,457.97	10.28%
Total	1,05,372.00	

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Notes to financial statements
8.2 Secured, Redeemable Privately Placed NCD

The Company had privately plared Secured Redeemable Non-convertible Debentures for a maturity period up to 66 months with an outstanding amount of ₹15,444.42 lakhs (Previous year: ₹538.59 lakhs). During the FY 2023- 2024, Secured Privately Placed NCD amounting th ₹14,900.00 Lakhs (Previous year : Nil) was raised and listed.

Date of maturity	Amount	Interest rates	Listed/Unlisted
12-06-2024	567.57	10.00% - 10.47%	Unlisted
10-11-2025	4,925.28	10.00%	Listed
31-12-2025	5,025.78	10.00%	Listed
27-02-2026	5,025.79	10.00%	Listed
Total	**15,544.42**		

8.3 Unsecured Debentures -Listed

The outstanding amount of Unsecured Debentures raised through Public Issue stood at ₹ 15630.08 lakhs (Previous Year: ₹14,879.10 lakhs). During the FY-24-23 and FY 23-24 no Unsecured Public Placed NCD was raised.

Date of maturity	Amount	Interest Rate
13-03-2026	2,770.94	0.10
14-02-2028	2,934.14	10.25%
02-06-2026	2,405.20	10.00%
02-05-2028	1,812.62	10.41%
15-03-2027	2,592.39	0.10
15-09-2028	3,114.78	10.41%
Total	**15,630.08**	

8.4 Unclaimed Matured Debentures
The outstanding amount of Unclaimed Matured Debentures as on 31st March 2024 is ₹182.09 lakhs. (Previous year ₹273.38 lakhs). The same has been transferred to current accounts maintained with HDFC Bank.

Period	Amount
2017-2018	4.25
2018-2019	58.21
2019-2020	6.83
2020-2021	70.15
2021-2022	12.12
2022-2023	15.44
2023-2024	15.09
Total	182.09

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Notes to financial statements
Note 9: Borrowings (other than debt securities)

Particulars	As at March 31st, 2024 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
(a) Term loan				
(i) from banks				
Vehicle Loans -State Bank of India	26.66			26.66
Vehicle Loans -Bank Of Maharashtra	80.22			80.22
Vehicle Loans -HDFC Bank Ltd	127.06			127.06
Term Loan -Catholic Syrian Bank	1,234.28			1,234.28
Term Loan -Canara Bank	11,687.69			11,687.69
Term Loan -Bank of Baroda	5,052.41			5,052.41
Term Loan -Karur Vysya Bank	7,149.20			7,149.20
Term Loan -Indian Bank	6,462.27			6,462.27
Term Loan -Punjab & Sind Bank	914.37			914.37
Term loan-Utkarsh Small Finance Bank	187.50			187.50
Term Loan - Bank Of Maharashtra	14,790.90			14,790.90
Term Loan - UCO Bank	7,675.36			7,675.36
Term Loan - IDFC First Bank	9,826.33			9,826.33
Term Loan - Karnataka Bank Ltd	2,565.29			2,565.29
Term Loan- Bandhan bank	15,128.88			15,128.88
Term loan- IOB	4,445.00			4,445.00
Term Loan- Equitas Small Finance Bank	604.19			604.19
Term Loan- Union Bank of India	4,305.45			4,305.45
Term Loan- HDFC Bank Ltd	3,430.85			3,430.85
(ii) from financial institutions				-
Term Loan- Tata Capital	959.37			959.37
Term Loan- Hinduja Leyland	729.16			729.16
Term Loan- Bajaj Finserv	3,692.23			3,692.23
				-
Unamortized expense of Term Loan	-937.65			-937.65
(b) Loans from related party	-	-	-	-
(c) Loans repayable on demand				
(i) from banks				
South Indian Bank Ltd	9,352.66			9,352.66
State Bank of India	3,993.87			3,993.87
Dhanlaxmi Bank	4,827.40			4,827.40
Indus Ind Bank	19,758.19			19,758.19
Union Bank of India	9,865.15			9,865.15
Punjab National Bank	4,557.85			4,557.85
Karur Vysya Bank	2,424.92			2,424.92
DCB Bank	2,499.55			2,499.55
UCO Bank	1,734.80			1,734.80
IDBI Bank	3,957.05			3,957.05
Indian Bank	1,008.54			1,008.54
HDFC Bank Ltd	15,117.52			15,117.52
Catholic Syrian Bank	5,000.00			5,000.00
IDFC First Bank Ltd	500.00			500.00
Yes bank	5,000.00			5,000.00
Bandhan Bank	495.22			495.22
City Union Bank	995.35			995.35
BOB Credit Cards	4.81			4.81
(ii) from financial institutions	-			-
Total (A)	**1,91,229.90**	-	-	**1,91,229.90**
Borrowings in India	**1,91,229.90**	-	-	**1,91,229.90**
Borrowings outside India	-	-	-	-
Total (B)	**1,91,229.90**	-	-	**1,91,229.90**

Notes to financial statements

Particulars	As at March 31, 2023 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
(a) Term loan				
(i) from banks				
Vehicle Loans -State Bank of India	38.19			38.19
Vehicle Loans -Bank Of Maharashtra	91.88			91.88
Vehicle Loans -HDFC Bank Ltd	69.88			69.88
Term Loan -Catholic Syrian Bank	1,902.55			1,902.55
Term Loan -Canara Bank	15,839.22			15,839.22
Term Loan -Bank of Baroda	9,250.00			9,250.00
Term Loan -Karur Vysya Bank	4,561.40			4,561.40
Term Loan -Indian Bank	3,669.14			3,669.14
Term Loan -Punjab & Sind Bank	1,818.18			1,818.18
Term loan-Utkarsh Small Finance Bank	928.89			928.89
Term Loan - Bank Of Maharashtra	10,078.99			10,078.99
Term Loan - UCO Bank	4,561.40			4,561.40
Term Loan - IDFC First Bank	3,891.71			3,891.71
Term Loan - Karnataka Bank Ltd	4,511.18			4,511.18
Term Loan- Bandhan bank	7,500.00			7,500.00
				-
				-
(ii) from financial institutions				-
Term Loan- Tata Capital	2,000.00			2,000.00
Term Loan- Hinduja Leyland	1,443.56			1,443.56
				-
Unamortized expense of Term Loan	-701.75			-701.75
(b) Loans from related party	-	-	-	-
(c) Loans repayable on demand				
(i) from banks				
South Indian Bank Ltd	9,892.35			9,892.35
State Bank of India	3,987.42			3,987.42
Dhanlaxmi Bank	4,878.06			4,878.06
Indus Ind Bank	9,686.77			9,686.77
Union Bank of India	9,965.29			9,965.29
Punjab National Bank	4,972.77			4,972.77
Karur Vysya Bank	2,435.28			2,435.28
DCB Bank	2,471.92			2,471.92
UCO Bank	1,891.35			1,891.35
IDBI Bank	3,954.05			3,954.05
Indian Bank	1,008.62			1,008.62
HDFC Bank Ltd	15,104.01			15,104.01
Catholic Syrian Bank	4,994.30			4,994.30
IDFC First Bank Ltd	504.06			504.06
Yes bank	4,998.68			4,998.68
Bandhan Bank	466.00			466.00
				-
(ii) from financial institutions				-
Total (A)	**1,52,665.35**	-	-	**1,52,665.35**
Borrowings in India	**1,52,665.35**	-	-	**1,52,665.35**
Borrowings outside India	-	-	-	-
Total (B)	**1,52,665.35**	-	-	**1,52,665.35**

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RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

Note 9.1: Security Details

Term Loan

a. State Bank of India- Sanctioned Amount ₹80 lakhs - Outstanding . ₹26.66 Lakhs (Previous year ₹38.19 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. Bank Of Maharashtra -Sanctioned Amount ₹100 lakhs -Outstanding ₹80.22 lakhs (Previous year ₹91.88 lakhs)
Secured by way of Hypothecation of the vehicle to be purchased

Repayment terms: 84 monthly installments of ₹ 1.52 lakhs

c. HDFC Bank Ltd -Sanctioned Amount ₹65 lakhs - Outstanding ₹ 63.85 lakhs (Previous year Nil)
Secured by way of Hypothecation of the vehicle to be purchased
Repayment terms: 84 monthly installments of ₹ 1.02lakhs

c. HDFC Bank Ltd -Sanctioned Amount ₹71 lakhs - Outstanding ₹ 63.21 lakhs (Previous year ₹ 69.88 lakhs)
Secured by way of Hypothecation of the vehicle to be purchased
Repayment terms: 84 monthly installments of ₹ 1.12 lakhs

d. CSB Bank· Sanctioned Amount · ₹3,000 lakhs - Outstanding ₹1,234.28 Lakhs (Previous year ₹1,902.55 Lakhs)
Secured by a)Pari-passu first charge on gold loan receivables of the company (present & future) along with other secured lenders with 25% margin. , b)Cash collaterals, sufficient to cover 25% of the total exposure, at any point of time (WCDL+ Rundown balance of TL) , 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

e. Canara Bank - Sanctioned Amount* - ₹5,000 lakhs - Outstanding ₹1,670.86 Lakhs (Previous year Nil)

Secured by a)First charge over all standard movable assets and currents assets, including book debts and receivable, cash and bank balances, loans and advances, both present and future of the company on pari passu basis with all lenders under MBA and debenture holders with minimum ACR to be maintained at 1.20 times of outstanding liability (excluding microfinance receivables) for the loans disbursed by them to individuals against pledge of gold ornaments. The minimum ACR to be maintained at 1.20 times of outstanding liability. 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

e. Canara Bank - Sanctioned Amount* - ₹10,000 lakhs - Outstanding Nil (Previous year ₹3,328 Lakhs)

Secured by a)First charge over all standard movable assets and currents assets, including book debts and receivable, cash and bank balances, loans and advances, both present and future of the company on pari passu basis with all lenders under MBA and debenture holders with minimum ACR to be maintained at 1.20 times of outstanding liability (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

e. Canara Bank - Sanctioned Amount* - ₹5,000 lakhs - Outstanding ₹4,316.92 Lakhs (Previous year ₹3,332 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. The minimum ACR to be maintained at 1.25 times of the outstanding liability 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 Lakhs

e. Canara Bank - Sanctioned Amount* - ₹4,000 lakhs - Outstanding ₹1,902.42 Lakhs (Previous year ₹3,222.22 Lakhs)

Secured by a)Paripassu first charge by way of bypothecation of gold loan receivables of the Company (excluding microfinance receivables) for the loans disbursed by them to individuals against pledge of gold ornaments. The minimum ACR to be maintained at 1.25 times of the outstanding liability b) Collateral - Cash Collateral of 25% of Loan amount c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

Repayment terms: 35 monthly installments of ₹111 lakhs and last installment of ₹150 Lakhs

e. Canara Bank - Sanctioned Amount* - ₹6,500 lakhs - Outstanding ₹3,797.49 Lakhs (Previous year ₹5,957 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. The minimum ACR to be maintained at 1.25 times of the outstanding liability b) Collateral - Cash margin in the form of fixed deposits to the extend of 25% of the exposure c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

Repayment terms: 35 monthly installments of ₹181 lakhs and last installment of ₹165 Lakhs

Notes to financial statements

f.Bank of Baroda - Sanctioned Amount* - ₹3,500 lakhs - Outstanding ₹ 802.41 Lakhs (Previous year ₹2,000 Lakhs)

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 (excluding micro finance receivable which is exclusively charged to Tata Capital) both present and future, along with other lenders including NCD holders with security margin of 25% on chargeable current assets, 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. , Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 35 monthly installments of ₹100 lakhs

f.Bank of Baroda - Sanctioned Amount* - ₹7,500 lakhs - Outstanding ₹4,250 Lakhs (Previous year ₹7,250 Lakhs)

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 (excluding micro finance receivable which is exclusively charged to Tata Capital) both present and future, along with other lenders including NCD holders with security margin of 25% on chargeable current assets, 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: 30 monthly installments of ₹250 lakhs

g. Karur Vysya Bank- Sanctioned Amount* - ₹2,500 lakhs - Outstanding ₹1,591 Lakhs (Previous year ₹2,061.40 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. Minimum security cover of 1.33 times of loan amount/ outstanding liabilities with KVB.Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 57 monthly installments of 44 Lakhs

g. Karur Vysya Bank- Sanctioned Amount* - ₹2,500 lakhs - Outstanding ₹1,542 lakh (Previous year ₹2,500 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. Minimum security cover of 1.33 times of loan amount/ outstanding liabilities with KVB.Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 11 Quarterly installments of 227.27 Lakhs

g. Karur Vysya Bank- Sanctioned Amount* - ₹4,000 lakhs - Outstanding ₹4,016.20 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 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. Minimum security cover of 1.33 times of loan amount/ outstanding liabilities with KVB.Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 11 quarterly installments of rs 3.36 Cr after 3 months holiday period. Tenor of 36 months

h.Indian Bank - Sanctioned Amount* - ₹5,000 lakhs - Outstanding ₹1,836.53 Lakhs (Previous year ₹3,669.14 Lakhs)

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

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Notes to financial statements

h.Indian Bank - Sanctioned Amount* - ₹5,000 lakhs - Outstanding ₹4,625.74 Lakhs (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:12 Quarterly installments of Rs.417 lakhs

i.Punjab and Sind Bank * - ₹2,500 lakhs - Outstanding ₹914.37 Lakhs (Previous year ₹1,818.18 Lakhs)

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) Colleteral-25% cash c)-Personal Guarantor -Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 33 monthly installments of ₹76 Lakhs

j. Utkarsh Small Finance Bank- Sanctioned Amount* - ₹1,500 lakhs - Outstanding ₹187.50 Lakhs (Previous year ₹928.

Secured by a)First Pari-passu charge on Book Debts/Loan assets including gold loan receivables of the Company (both present and future) to the extent of 110% of the exposure created out of Utkarsh Small Finance Bank Ltd funding b) Collateral-25% of the Loan Amount sanctioned , c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 monthly installments of ₹62.50 Lakhs

k. Bank Of Maharashtra - Sanctioned Amount ₹10,000 lakhs -Outstanding ₹6,051.47 lakhs (Previous year ₹10,078.99 lakhs)

Secured by a)First Pari-Passu charge by way of Hypothecation of standard loan receivables of the company to the extent of 1.11 times of outstanding loan.b) Collateral- 25% Cash collateral on the sanctioned amount, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 5 Half yearly instalment of Rs. 2000 lakhs each

k. Bank Of Maharashtra - Sanctioned Amount ₹10,000 lakhs -Outstanding ₹8,739.43 lakhs (Previous year Nil)

Secured by a)First Pari-Passu charge by way of Hypothecation of standard loan receivables of the company to the extent of 1.11 times of outstanding loan.b) Collateral- 25% Cash collateral on the sanctioned amount, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 30 monthly instalments of ₹334 lakhs

l. UCO - Sanctioned Amount ₹5,000 lakhs -Outstanding ₹3,508.74 lakhs (Previous year ₹4,561.40 lakhs)

Secured by a)First hypothecation charge on receivables including advances against Security Of gold both present and future, on pari-passu basis along with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit, OD etc) and debenture holders and hypothecation charge over other chargeable current assets of the company (both present and future) on pari- passu basis with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit, OD etc) and debenture holders.The company has to maintain security cover of 1.33 times , b) Colleteral-FDR to the tune of 25% of the limit c)-Personal Guarantor -Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 57 equal monthly installments

l. UCO - Sanctioned Amount ₹5,000 lakhs -Outstanding ₹4,166.62lakhs (Previous year Nil)

Secured by a)First hypothecation charge on receivables including advances against Security Of gold both present and future, on pari-passu basis along with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit, OD etc) and debenture holders and hypothecation charge over other chargeable current assets of the company (both present and future) on pari- passu basis with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit, OD etc) and debenture holders.The company has to maintain security cover of 1.33 times , b) Colleteral-FDR to the tune of 25% of the limit i.e., for Rs. 5.00 crores marked under lien with our bank c)-Personal Guarantor -Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 36 equal monthly installments

m. IDFC - Sanctioned Amount ₹5,500 lakhs -Outstanding ₹1,145.78 lakhs (Previous year₹3,891.71 lakhs)

Secured by a) First Pari passu charge of standard book debts and receivables with security cover of 1.2x. All book debts charged should be Standard not he more than 90 DPDF.b) Collateral-Cash margin of 25% in the form of FDs to be maintained on O/s loan amount, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 equal monthly installments of ₹ 229.17 lakhs

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m. IDFC - Sanctioned Amount ₹12,500 lakhs -Outstanding ₹8,680.55 lakhs (Previous yearNil)

Secured by a) First Pari passu charge of standard book debts and receivables with security cover of 1.15x. All book debts charged should be Standard not be more than 90 DPDF.b) Collateral-Cash margin of 15% in the form of FDs to be maintained on O/s loan amount, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 36 equal monthly installments

n. Karnataka Bank - Sanctioned Amount ₹5,000 lakhs -Outstanding ₹2,565.29 lakhs (Previous year ₹4,511.18 lakhs)

Secured by a) Pari Passu First Charge on the current assets, loans and advances and standard receivables of the Company excluding micro finance receivables with minimum asset cover of 1.10 times of the outstanding loan amount at any point of time.b) Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 30 monthly installments of ₹162 lakhs and last installment of ₹140 Lakhs

o. Bandhan Bank - Sanctioned Amount ₹7,500 lakhs -Outstanding ₹5,040.98 lakhs (Previous year ₹7,500 lakhs)

Secured by a) Paripassu first charge over the Gold Loan receivables (both present and future) excluding microfinance receivables and other current assets of the company, with other secured lenders (Banks & NCD Holders) with security asset coverage ratio of 1.15xtimes to be maintained at all times both present& future of the company. b) Collateral-Cosh collateral of minimum 10% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 equal monthly installments of ₹ 312.50 lakhs

o. Bandhan Bank - Sanctioned Amount ₹10,000 lakhs -Outstanding ₹10,087.90 lakhs (Previous year Nil)

Secured by a) Paripassu first charge over the Gold Loan receivables (both present and future) excluding microfinance receivables and other current assets of the company, with other secured lenders (Banks & NCD Holders) with security asset coverage ratio of 1.5xtimes to be maintained at all times both present& future of the company. b) Collateral-Cosh collateral of minimum 10% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 equal monthly instalments of ₹ 417 after 3 months morotarium

p. Indian Overseas Bank - Sanctioned Amount ₹5,000 lakhs -Outstanding ₹4,445 lakhs (Previous year Nil)

First Pari passu charge of standard book debts and receivables and all other current ssets equivalent to 1.33x times of the outstanding loan amount.excluding micro finance receivables. b) Collateral-Cash collateral of minimum 25% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 53 installments of 92.5 lakhs and last one installment of 97.5 lakhs

q. Equitas Small Finance Bank - Sanctioned Amount ₹1,500 lakhs -Outstanding ₹604.19 lakhs (Previous year Nil)

First pari passu charge on all standard gold loan receivables of the Company, both current and future to the extent of 1.10x to be maintained at all times. b) Collateral-Cosh collateral of minimum 25% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 15 installments of Rs.1 cr each

r. Union Bank - Sanctioned Amount ₹2,500 lakhs -Outstanding ₹1,874.80 lakhs (Previous year Nil)

Exclusive charge on hypothecation of micro finance receivables with 10 % margin .b) Collateral-Cosh collateral of minimum 10% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 36 monthly instalments of ₹69.44 lakhs and last instalment of ₹69.60 Lakhs

r. Union Bank - Sanctioned Amount ₹2,500 lakhs -Outstanding ₹2,430.65 lakhs (Previous year Nil)

Exclusive charge on hypothecation of micro finance receivables with 10 % margin .b) Collateral-Cosh collateral of minimum 10% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 36 monthly instalments of ₹69.44 lakhs and last instalment of ₹69.60 Lakhs

s. HDFC Bank - Sanctioned Amount ₹5,000 lakhs -Outstanding ₹3,430.85lakhs (Previous year Nil)

First pari passu charge on all current assets of the Company, both current and future including receivables (Gold loan receivables excluding Micro Finance receivables) for working capital limit with 15% margin. b) Collateral-Cosh collateral of minimum 25% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 18 months Quarterly repayments

Notes to financial statements

t. Tata Capital- Sanctioned Amount ₹2,000 lakhs -Outstanding ₹959.37 lakhs (Previous year₹2,000 lakhs)
Secured by a) exclusive charge by way of hypothecation over loan assets/book debts of the company micro finance Book((both present & future) at minimum of 1 .25x of the loan outstanding. Portfolio hypothecated should have NIL Overdues. b) Unconditional & irrevocable Personal guarantee of Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 21 monthly instalments of ₹95.24 Lakhs

n. Hinduja Leyland Finance- Sanctioned Amount ₹1,500 lakhs -Outstanding ₹729.16lakhs (Previous year ₹1,443.56 la
Secured by a) Exclusive charge by way of hypothecatiou over loan assets/book debts of the company micro finance Book((both present & future) at minimum of 1 .10 of the loan outstanding.b) Personal guarantors- Mrs.Nizzy Mathew and Mr. Mathew Muthoottu")

Repayment terms: 24 equal monthly instalments

v. Bajaj Finanace Ltd- Sanctioned Amount ₹3,000 lakhs -Outstanding ₹2,768.84 lakhs (Previous year Nil)
First Paripassu charge on the goldloan receivables present and future of the borrower byway of hypothecation of gold loan receivables with a minimum asset cover of 1.25x and current assets of the company excl MF receivables .b) Personal guarantors- Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 equal monthly installments of 125 lakhs

w. Bajaj Finanace Ltd- Sanctioned Amount ₹1,500 lakhs -Outstanding ₹923.39 lakhs (Previous year Nil)
Exclusive charge on hypothecation of micro finane receivables with 25 % margin .b) Personal guarantors- Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 equal Instalments

Loans repayable on demand

a. South Indian Bank – Sanctioned Amount - ₹10,000 lakhs Outstanding ₹ 9,352.66 Lakhs (Previous year ₹ 9,892.35L

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,with asset coverage ratio of 1.33x times to be maintained b)Collateral-minimum collateral security to the extent of 25% , c)Personal guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

b. State Bank of India–Sanctioned Amount - ₹4,000lakhs - Outstanding ₹ 3,993.87 Lakhs (Previous year ₹ 3,987.42Lak
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 with asset coverage ratio of 1.33x times to be maintained. b)Colleteral-EM of 32.86 ares of commercial plot bearing no 219/2 situated at Kundanour,Ernakulam, , c)Personal Gurantor- Mrs. Nizzy Mathew, Mr. Mathew Muthoottu, Mr. Roy M Mathew , d) Corporate Guarantor-M/s Muthoottu Mini Theaters Pvt Limited

c. Dhanlaxmi Bank–Sanctioned Amount ₹4,900 lakhs- ₹ Outstanding ₹4,827.40Lakhs (Previous year ₹4,878.06 Lakhs)
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-Vacant Land -EM of 34.39 Ares of vacant land U.S.No.262{262/7/18-2, 262/4/7-1-39, 262/4-3,262/4/10-1,262/4/7-1,262/4/6-3) of Pathanamthitta village, Kozhenchery Taluk, Pathanamthitta District, Owned By M/s.Muthoottu Mini Theatres (P) Limited,2.40 ares land with 4500 sq ft, 3 storied commercial building in Konni village, Konni Taluk, Pathanainthitta Oistrict Owned By M/s.Muthoot Mini Hotels Pvt Ltd, Fixed Deposit Rs 5.64 Crores, c) Personal guarantee of Nizzy Mathew, Mathew Muthoottu and Roy M. Mathew D) Corporate guarantee of Muthootlu Mini Theatres Private Limited and Muthoottu Mini Hotels Pvt Ltd

d.Indusind Bank – Sanctioned amount - ₹10,000 lakhs -Outstanding 10,000 lakhs (Previous year Nil)

Secured by a)Pari passu charge on the Book Debts and Receivables and other current assets together with secured debenture holders and working capital bankers, with IBL's Security cover of 1.33x. Others working capital bankers have security cover 1.33x/1.25x. NCD holders have security cover of 1x, b)Collateral-. Commercial Land & Building, 5.85 Ares along with three storied building comparised in Re Survey No,83 in Block No. 179 of Kollam East Village Kollam Taluk,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, Thriruvanathapuram 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, c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

d.Indusind Bank – Sanctioned amount - ₹10,000 lakhs -Outstanding ₹9,758.19Lakhs (Previous year ₹ 9,686.77Lakhs
Secured by a)Pari passu charge on the Book Debts and Receivables and other current assets together with secured debenture holders and working capital bankers, with IBL's Security cover of 1.33x. Others working capital bankers have security cover 1.33x/1.25x. NCD holders have security cover of 1x, b)Collateral-. Commercial Land & Building, 5.85 Ares along with three storied building comparised in Re-Survey No.83 in Block No. 179 of Kollam East Village Kollam Taluk,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, Thriruvanathapuram 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, c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

Notes to financial statements

e.Union Bank of India - Sanctioned amount - ₹10,000 lakhs Outstanding ₹9,865.15 Lakhs (Previous year ₹9,965.29Lak
Secured by a) Paripassu first charge on the standard receivables (maturing within one Year)and current assets of the company present and future along with other lenders, 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 Distric, Kerala belonging to Muthoottu Mini Hotels Pvt ltd ,Fixed Deposit of ₹ 10.45 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 Thoticode Village, Nedumangadu Taluk, Thiruvananathapuram District, Kerala State in the name of M/s Muthoottu Mini Financiers Ltd, Personal C} Personal guarantee of Nizzv Mathew and Mathew Muthoottu d) Corporate Guarantee of M/s Muthoottu Mini Hotels Pvt Ltd.

f. Karur Vysya - Sanctioned amount - ₹2,500 Lakhs Outstanding ₹ 2,424.92 Lakhs (Previous year ₹ 2,435.28 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). Minimum Security cover of 1.33 times of the loan amount / outstanding liabilities with KVB , 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 Jonction, 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. c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu d) Corporate Guarantee of M/s Muthoottu Mini Hotels Pvt Ltd.

g.DCB Bank- Sanctioned amount - ₹2,500 lakhs Outstanding ₹2,499.55 Lakhs (Previous year ₹2,471.92 Lakhs)
Secured hy 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

h. UCO Bank - Sanctioned amount - ₹2,000 lakhs Outstanding ₹1,734.8 Lakhs (Previous year ₹1,891.35 Lakhs)
Secured by a)First hypothecation charge on receivables including advances against Security Of gold both present and future, on pari-passu basis along with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit, OD etc) and debenture boiders and hypothecation charge over other chargeable current assets of the company (both present and future) on pari- passu basis with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit. OD etc) and debenture holdors.The company has to maintain security cover of 1.33 times during the entire tenor of loan, b) Colleteral-FDR to the tune nf 25% of the limit i.e., for Rs. 5.00 crores marked under lien with our bank c)-Personal Guarantor -Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

i. IDBI Bank - Sanctioned amount - ₹4,000 Lakhs Outstanding ₹3,957.05 Lakhs (Previous year ₹3,954.05 Lakhs)
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

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Notes to financial statements

j. Indian Bank - Sanctioned amount - ₹1,000 Lakhs Outstanding ₹1,008.54 Lakhs (Previous year ₹1,008.62Lakhs)

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

k.HDFC Bank LTD - Sanctioned amount - ₹15,000 Lakhs Outstanding ₹15,117.52 Lakhs (Previous year ₹15,104.01 La

Secured by a)First pari passu charge on all current assets of the Company, both current and future including receivables (Gold loan receivables excluding Micro Finance receivables) for working capital limits , 100% Fixed Deposits for ODFD limits. b)25 % Cash margin in the form of FD, Personal Guaranor-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

l. CSB Bank- Sanctioned Amount - ₹5,000 lakhs - Outstanding ₹5,000 Lakhs (Previous year ₹4,994.30 Lakhs)

Secured by a)Pari-passu first charge on gold loan receivables of the company (present & future) along with other secured lenders with 25% margin. , b)Cash collaterals, sufficient to cover 25% of the total exposure, at any point of time (WCDL+ Rundown balance of TL) , c.) Personal guarantee of Nizzy Mathew and Mathew Muthoottu d) Corporate guarantee of M/s Muthoottu Mini Hotels Private Limited

m. IDFC - Sanctioned Amount ₹ 500 lakhs -Outstanding ₹500 lakhs (Previous year₹504.06 lakhs)

Secured by a) First Pari passu charge of standard book debts and receivables with security cover of 1.2x. All book debts charged should be Standard not be more than 90 DPD.b) Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

n. Bandhan Bank - Sanctioned Amount ₹ 500 lakhs -Outstanding ₹ 495.22 lakhs (Previous year ₹ 466.00 lakhs)

Secured by a) Paripassu first charge over the Gold Loan receivables (both present and future) excluding microfinance receivables and other current assets of the company, with other secured lenders (Banks & NCD Holders) with security asset coverage ratio of 1.15xtimes to be maintained at all times both present& future of the company. b) Collateral-Cash collateral of minimum 10% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan. c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

o. Yes Bank - Sanctioned Amount ₹ 5,000 lakhs -Outstanding ₹ 5,000 lakhs (Previous year ₹ 4,998.68 lakhs)

Secured by a) Paripassu first charge charge on standard book debts and receivables with 1.10x cover in line with existing pari passu charge holders (excluding Micro Finance Loans Receivables). b) Collateral-Cash Collateral of 0.1x cover of the disbursed amount to be maintained, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

p. Punjab National Bank Coimbatore (erstwhile Oriental Bank of Commerce,Coimbatore) - Sanctioned amount - ₹50,

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 Guaratntor-Mrs. Nizzy Mathew and Mr. Mathew Muthoottu

q. City Union Bank - Sanctioned Amount ₹ 1,000 lakhs -Outstanding ₹995.35 lakhs (Previous year Nil)

Secured by a)Pari Passu First charge over the gold loan receivables (both present and future) and other standard receivables of the Company; and other current assets of the company wrth other secured lenders (banks & NCD holders) with margin of 25%to be maintained at all times.b)Personal Guaratntor-Mrs. Nizzy Mathew and Mr. Mathew Muthoottu

Note 10: Subordinated Liabilities

(Rupees in Lakhs)

Particulars	As at March 31st, 2024 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Subordinated Liabilities in India	30,502.33			30,502.33
Unclaimed Subordinated Liabilities in India	161.98			161.98
Subordinated Liabilities outside India	-			-
Total	**30,664.31**	**-**	**-**	**30,664.31**

Particulars	As at March 31, 2023 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Subordinated Liabilities in India	23,988.88			23,988.88
Unclaimed Subordinated Liabilities in India	311.41			311.41
Subordinated Liabilities outside India	-			-
Total	**24,300.29**	**-**	**-**	**24,300.29**

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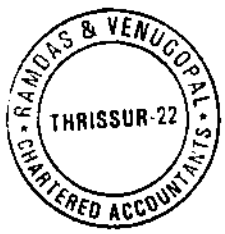
Notes to financial statements

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 as per Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 . The outstanding amount of privately placed subordinated debt stood at ₹30,502.33 lakhs (Previous year: ₹23,988.88 lakhs).

Interest pay out- Maturity Period	Amount As at 31st March, 2024	Interest Rate
2025-2026	20.36	10.50%
2026-2027	176.94	12.26%
2027-2028	1,856.28	14.29%
2028-2029	2,818.43	10.00% - 14.46%
2029-2030	5,092.52	10.71% - 14.46%
Total	9,964.53	

Interest pay out-Monthly	Amount	Interest Rate
2025-2026	1,574.61	10.5%
2026-2027	429.10	9.5%-10.25%
2027-2028	10,427.43	9.5%-10.50%
2028-2029	6,501.20	10.50%
2029-2030	1,605.46	10.50%-14.46%
Total	20,537.80	



Notes to financial statements

Note 11: Other Financial liabilities

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Expenses payable	766.48	723.76
Rent Payable	246.52	211.93
Rent Deposit	49.35	47.35
Kotak Insurance Payable	143.13	60.87
Auction Surplus Payable	392.91	592.99
Other Payable	95.78	102.74
Total	**1,694.17**	**1,739.64**

Note 12: Provisions

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Provision for employee benefits		
- Gratuity	549.07	495.39
- Others	32.55	13.95
Total	**581.62**	**509.34**

Note 13: Other Non-financial liabilities

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Statutory dues payable	526.22	246.00
Others	50.60	60.24
Total	**576.82**	**306.24**

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

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 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Authorised		
325,00,000 Equity Shares of Rs.100/- each	32,500.00	32,500.00
Issued, subscribed and fully paid up		
2,50,32,539 Equity shares of Rs. 100/- each fully paid up	25,032.54	24,952.54
Total Equity	**25,032.54**	**24,952.54**

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
As at March 31, 2023	**2,49,52,539**	**24,952.54**
Shares issued during the period	80,000	80.00
As at March 31, 2024	**2,50,32,539**	**25,032.54**

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

Particulars	As at March 31st, 2024 (Audited)	
	No. of shares held	% holding in the class
Mr. Mathew Muthoottu	1,48,59,912	59.36%
Mrs Nizzy Mathew	33,54,446	13.40%
Mini Muthoottu Hotels (P) Ltd	25,51,298	10.19%
Mini Muthoottu Credit India (P) Ltd	14,19,841	5.67%

Particulars	As at March 31, 2023 (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.

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
Equity Shares :			
2019-2020	-	-	-
2018-2019	-	-	-
2017-2018	-	-	-
2016-2017	-	-	-
2015-2016	-	-	-

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Notes to financial statements

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	1,48,59,912.00	59.36%	0.54%
Mrs Nizzy Mathew	33,54,446.00	13.40%	0.00%

Note 15: Other equity (Rupees in Lakhs)

Particulars	As at March 31st, 2024 (Audited)	As at March 31, 2023 (Audited)
Statutory Reserves		
Special Reserve Fund(u/s 45 IC of RBI Act, 1934)		
Balance at the beginning of the year	7,650.35	6,300.56
Add: Transfer from Retained earnings	1,553.06	1,349.79
Balance at the end of the year	**9,203.41**	**7,650.35**
Debenture Redemption Reserve		
Balance at the beginning of the year	-	-
Add: Transfer from/(to) Retained earnings	-	-
Balance at the end of the year	-	-
Impairment reserve	-	-
Balance at the beginning of the year	167.95	-
Add: Transfer from/(to) Retained earnings	-	167.95
Balance at the end of the year	**167.95**	**167.95**
Securities Premium		
Balance at the beginning of the year	7,844.15	7,844.15
Add: Securities premium on share options exercised during the year	220.00	-
Balance at the end of the year	**8,064.15**	**7,844.15**
Revaluation Reserve		
Balance at the beginning of the year	350.00	350.00
Add: Amount transferred	-	-
Balance at the end of the year	**350.00**	**350.00**
Retained Earnings		
Balance at the beginning of the year	**21,554.12**	**16,322.91**
Add: Profit for the period	**7,765.31**	**6,748.95**
Add/Less: Appropriation :-		
Transfer to Special Reserve Fund	(1,553.06)	(1,349.79)
Transfer from/(to) Debenture Redemption Rese	-	-
Transfer to Impairment Reserve	-	(167.95)
Total appropriations	**(1,553.06)**	**(1,517.74)**
Balance at the end of the year	**27,766.36**	**21,554.12**
Total	**45,551.88**	**37,566.57**

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Notes to financial statements
15.1 Nature and purpose of reserve
Statutory reserve
Statutory Reserve represents the Reserve Fund created u/s 45IC of the Reserve Bank of India Act, 1934. In current year ₹ 1,553.06 lakhs is appropriated from Statement of Profit and Loss to the Special Reserve Fund (PY 2022-2023 Rs 1,349.79

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.

Impairment Reserve

In accordance with RBI circular no. RBI/2019-20/170 dated March 13, 2020, the company is required to provide for impairment allowances, if the impairment allowance computed as per the extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) is higher than the impairment allowance under Ind AS 109.

In FY 2023-2024 no amount has been appropriated from net profit after tax to 'Impairment Reserve' (Previous Year 2022-23 Rs 167.95). The balance in the 'impairment Reserve' shall not be reckoned for regulatory capital.

No withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI. The requirement for 'Impairment Reserve' shall be reviewed, going forward as per further instructions from RBI

Notes to financial statements

Note 16: Interest income (Rupees in Lakhs)

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
	On Financial asset measured at amortised cost	On Financial asset measured at amortised cost
i)Interest on Loans		
On Gold loan	56,809.01	48,670.80
On Micro Finance	5,837.24	3,168.63
On loan against property	80.67	86.53
ii)Interest on deposits with bank	2,590.46	1,426.68
Total	**65,317.38**	**53,352.64**

Note 17: Other income on loans (Rupees in Lakhs)

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
	On Financial asset measured at amortised cost	On Financial asset measured at amortised cost
Processing fees on loans	1,030.89	769.65
Total	**1,030.89**	**769.65**

Note 18: Net gain on fair value changes (Rupees in Lakhs)

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	9.13	4.16
- Derivatives	-	-
- Others	-	-
(B) Loss on fair valuation of equity shares	-	
Total Net gain on fair value changes (C)	**9.13**	**4.16**
Fair Value changes:		
- Realised		
- Unrealised	9.13	4.16
Total Net gain on fair value changes	**9.13**	**4.16**

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RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

Note 19: Sale of services **(Rupees in Lakhs)**

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
Other Operating Income	23.03	16.25
Total	**23.03**	**16.25**

Note 20: Other Income **(Rupees in Lakhs)**

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
Other non-operating income	363.06	72.51
Total	**363.06**	**72.51**

Note 21: Finance Costs **(Rupees in Lakhs)**

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
	On financial liabilities measured at amortised cost	On financial liabilities measured at amortised cost
Interest on borrowings (other than debt securities)	16,892.66	9,259.63
Term Loan Amortisation	751.51	336.86
Interest on debt securities		
-Public issue	12,849.95	15,521.38
-Pvt Placement	412.81	124.99
-NCD amortization-Public	326.52	536.62
-NCD amortization-Private	42.24	-
Interest on subordinated liabilities	2,963.27	2,143.02
Bank Charges	291.98	426.66
Total	**34,530.94**	**28,349.16**

Note 22: Impairment on financial instruments **(Rupees in Lakhs)**

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
	On financial instruments measured at amortised cost	On financial instrumeuts measured at amortised cost
Loans	590.57	(316.46)
Bad Debts Written Off	85.54	80.81
Other Assets	18.60	6.98
Total	**694.71**	**(228.67)**

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Notes to financial statements

Note 23: Employee Benefits Expenses **(Rupees in Lakhs)**

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
Salaries and Wages	10,265.67	9,357.49
Incentives to Staff	825.95	654.84
Gratuity	142.71	130.64
Bonus	350.30	235.33
Contributions to Provident and Other Funds	817.99	711.39
Staff Welfare Expenses	55.96	18.50
Total	**12,458.58**	**11,108.19**

Note 24: Depreciation, amortization and impairment **(Rupees in Lakhs)**

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
Depreciation of tangible assets	1,003.81	637.14
Amortization of intangible assets	34.59	10.69
	1,038.40	**647.83**

Note 25: Other Expenses **(Rupees in Lakhs)**

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
Rent, taxes and energy costs	3,188.58	2,857.44
Repairs and maintenance	415.46	358.93
Communication Costs	282.84	300.51
Printing and stationery	335.64	332.73
Advertisement and publicity	695.39	588.35
Director's fees, allowances and expenses	39.85	24.82
Auditor's fees and expenses	26.45	28.84
Legal and Professional charges	230.74	183.92
Insurance	364.98	120.78
General Office Expenses	335.75	402.41
Brokerage expenses	0.07	1.50
Travelling Expenses to Staff	822.66	608.21
Vehicle Running & Maintenance Expenses	22.22	7.66
Security Charges	359.75	291.24
Subscription Charges	21.79	23.29
Corporate social responsibility	129.49	96.71
Public Issue NCD Expenses	112.44	159.98
Private issue NCD Expenses	1.34	
Other expenditure	20.08	2.91
Total	**7,405.52**	**6,390.23**

Note 25.1 Auditor's fees and expenses **(Rupees in Lakhs)**

Particulars	Period ended March 31st, 2024 (Audited)	Period ended March 31, 2023 (Audited)
For Statutory Audit	15.75	18.34
For Taxation Matters	6.50	6.50
For Other Services	3.98	3.75
For Reimbursement of Expenses	0.22	0.25
Total	**26.45**	**28.84**

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Notes to financial statements

Note 26: 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.

(Rupees in Lakhs)

Particulars	Year ended March 31, 2024 (Audited)	Year ended March 31, 2023 (Audited)
Net profit attributable to ordinary equity holders in lakhs	7,783.14	6,728.45
Weighted average numher of equity shares for basic earnings per share	2,49,52,976	2,49,52,539
Effect of dilution:		
Weighted average number of equity shares for diluted earnings per share	2,49,52,976	2,49,52,539
Earnings per share:		
Basic earnings per share (₹)	**31.19**	**26.96**
Diluted earnings per share (₹)	**31.19**	**26.96**

MUTHOOTTU MINI FINANCIERS LIMITED

Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

Notes to Financial Statements for the year ended 31st March, 2024

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 902 branches across the country.

The Company is registered with the Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA) and Insurance Regulatory and Development Authority of India (IRDA).

The registration details are as follows:

RBI : N-16.00175

Corporate Identity Number (CIN) : U65910KL1998PLC012154

IRDA : CA0122

The Company is engaged in full-fledged Gold Loan business, its debt securities are listed on Bombay Stock Exchange and has accepted debentures & subordinated debt under private placement in compliance with RBI guidelines and listed public debentures in compliance with SEBI regulations. As part of diversification of business of the Company, apart from the core business of Gold Loan, the Company has entered the area of Microfinance, Insurance agency business, Money transfers, Travel & Tourism etc.

RBI has introduced Scale Based Regulatory framework (SBR) vide its circular dated October 22, 2021, to be effective from October 01st, 2022. Under the framework, the Company will fall under Middle Layer (NBFC-ML) as it has an asset size of more than Rs 1,000 crores.

The Registered and Corporate office of the Company is situated at 65/623K, Muthoottu Royal Towers, Kaloor, Kochi, Ernakulam, Kerala-682017

The financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on 27th May , 2024.

II. Basis of Preparation, Critical Accounting Estimates and Judgments

The financial statements have been prepared on the following basis:

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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 consistentiy 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 recognized 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

MCA has not notified any new standards during the year ended 31st March 2024

The Amendments in the Companies (Indian Accounting Standards) Amendment rules, 2022 which will be effective from 01.04.2023 onwards.

E. Functional and Presentation currency

MUTHOOTTU MINI FINANCIERS LIMITED * KOCHI 682 017

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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) on the gross carrying amount of financial assets measured at amortized cost other than credit impaired assets and financial assets classified as measured at FVTPL

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.

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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.
Step2 Identify the performance obligations in the contract
Step 3 Determine the transaction price
Step4 Allocate the transaction price to the performance obligation in the contracts
Step 5 Recognize revenue when the Company satisfies a performance obligation

(d) Net gain/loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 18), held hy the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in 'Net gains on fair value changes' under Revenue from operations and if there is a net loss the same is disclosed under 'Expenses' in the Statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt or equity instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any deht instruments measured at FVOCI.

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 husiness model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at 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

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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 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

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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 ilfetime 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-impalred financial assets which have experienced a significant Increase in credit risk since initial recognition. The Company recognizes lifetime ECL for stage 2 financlal assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such

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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 defauiting 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 buliet payment scheme of gold loans, EAD for gold loan portfolio is taken as 100% and for micro finance based on the amount of loan outstanding at the time of default to the actual disbursed amount of loan over the last few years. For Loan Against Property, based on the Management's assessment on the recoverability, 100% provision is created for the outstanding defaulted balance at Stage 3.
- 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. For Gold Loans reported in Fraud Monitoring Returns, 100% provision is created for Stage 3. For Loan Against Property, 100% provision is created based on Management's assessment on recoverability.

As required by RBI Circular reference no. RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/ FY 2019-20 dated Marcb 13, 2020; where impairment ailowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as weil as restructured assets, NPA ageing, etc., the Company shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

Upgradation of accounts classified as Stage 3/Non-performing assets (NPA) - The Company upgrades loan accounts classified as Stage 3/ NPA to 'standard' asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the Company in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

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. Tbe 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 wlien 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 that 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 measurers certain financial instruments at falr value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liabiiity 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

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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 wliich 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.

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- 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. Finance cost

Finance costs represents Interest expense recognized by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed at the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortized cost of a financial liability, by considering all the contractual terms of the financial instrument in estimating the cash flows.

Finance cost Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the

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financial liability. Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc., provided these are incremental costs that are directly related to the issue of a financial liability.

E. 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. Subsequentiy, '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.

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F. Other income and expenses

All other income and expense are recognised in the period they occur.

G. 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 ie., 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 directiy 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

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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.

H. 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.

I. 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.

J. 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.

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K. 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

L. 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

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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.

M. Related Party

All related party transactions whicb 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 13 February, 2023. 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.

N. 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."

O. 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.

P. Contingent Assets

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.

Q. 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 dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

R. 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.

S. 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.

T. 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.

U. Ind AS 101 - First-time Adoption of Indian Accounting Standards

Exemptions applied Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has

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applied the following exemptions: On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at March 31, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on April 01, 2019.

IV. Significant accounting judgments, estimates and provisions

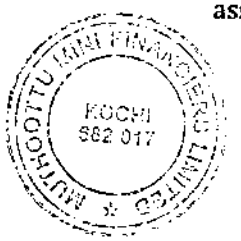
The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the 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

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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.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

1. Income Tax

a. Major components of tax expense/(income)

(Rupees in lakhs)

Particulars	2023-24	2022-23
Profit or Loss section:		
(i) Current income tax:		
Current income tax expense	3,258.12	1,374.76
Tax expense of prior periods	-	-
(ii) Deferred tax:		
Tax expense on origination and reversal of temporary differences	14.50	74.01
Income tax expense reported in Profit or Loss [(i) + (ii)]	**3,272.62**	**1,448.77**
Other Comprehensive Income (OCI) section:		
(i) Items that will not be reclassified to profit or loss		
- Remeasurement of defined benefit plans	(9.58)	-
(ii) Items to be reclassified to profit or loss in subsequent periods:	-	-
Income tax expense reported in Other Comprehensive Income[(i)+(ii)]	**(9.58)**	-
Retained earnings:		
Current income tax	3,258.12	1,374.76
Deferred tax	4.92	74.01
Income tax expense reported in retained earnings	**3,263.04**	**1,448.77**

b. Reconciliation of tax expense and the accountiug profit multiplied by domestic tax rate

(Rupees in lakhs)

Particulars	2023-24	2022-23
Accounting profit before tax as per Ind AS	11,055.76	8,177.22
At India's Statutory Income Tax rate of 34.944% (FY 22-23 @29.12%)	3,863.32	2,381.21
Add/(Less): Ind AS adjustments on PBT	-	-
Add/(Less): Allowances / disallowances (Net) for which deferred tax not taken	3.41	(102.03)
Add: Excess/(Lower) Tax paid as per MAT and interest thereof	(594.11)	(830.41)
Deferred tax	-	-
Total tax expenses in Profit/Loss Statement	**3,272.62**	**1,448.77**

The effective Income Tax rate for FY 2023-24 is 34.944% & PY 2022-23 is 29.12%.

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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 31-03-2024	As at 31-03-2023	Year euded 31-03-2024	
		Balance sheet		Statement of Profit and Loss	OCI
(a)	Re measurement gain / (loss) on defined benefit plan	191.85	144.26	38.01	9.58
(b)	Impact of carry forward losses	-	-	-	-
(c)	Difference between book depreciation and tax depreciation	607.06	503.76	103.31	-
(d)	Financial assets measured at Fair value	(5.08)	(0.85)	(4.23)	-
(e)	Net impact of gain on de recognition of financial instruments under amortised cost category	(578.80)	(427.15)	(151.65)	-
(f)	Other temporary differences	-	-	-	-
	Net deferred tax assets/(liabilities)	215.09	220.02	(14.50)	9.58

d. **Reconciliation of deferred tax (assets)/liabilities**

(Rupees in lakhs)

Sl. No	Particulars	2023-24	2022-23
(a)	Opening balance as at April 1	220.02	294.03
(b)	Deferred Tax income/(expense) during the period recognized in:		
	(i) Statement of Profit and Loss in Profit or Loss section	(14.51)	(74.01)
	(ii) Statement of Profit and Loss under OCI section	9.58	
	Closing balance as at March 31	**215.09**	**220.02**

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

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(Rupees in lakhs)

Movement in Other Comprehensive Income (OCI)	As at 31-03-2024	As at 31-03-2023
Actuarial Loss/ (Gain)on Obligation side during the period	27.41	-20.50

Reconciliation of Net asset/liability

Particulars	As at 31-03-2024	As at 31-03-2023
Opening Net liability	495.39	463.72
Expense recognized in P/L	142.71	130.64
Actuarial loss/(Gain) recognized in OCI	27.41	(20.50)
Contribution paid by employer	(116.44)	(78.47)
Closing Net Liability	549.07	495.39

Expenses recognized in the statement of profit and loss

Particulars	As at 31-03-2024	As at 31-03-2023
Current Service Cost	110.88	99.51
Past Service Cost	-	-
Settlement Cost/(Credit)	-	-
Net Interest on Obligation/Asset	31.83	31.13
Expenses recognized in the statement of Profit & Loss	142.71	130.64

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

Particulars	31.03.2024	31.03.2023
Discount Rate	6.985%	7.28%
Compensation Escalation Rate	3.50%	3.50%
Mortality rate during employment	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

Sensitivity Analysis

Assumptions	31-03-2024		31-03-2024		31-03-2023		31-03-2023	
	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	(481.56)	631.63	632.84	(479.75)	(432.38)	572.28	574.10	(429.74)

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
MATHEW MUTHOOTTU(MANAGING DIRECTOR)	KEY MANAGERIAL PERSONNEL
NIZZY MATHEW (WHOLE TIME DIRECTOR)	
P E MATHAI(CEO)	
ANN MARY GEORGE, ACA (CFO)	
SMITHA K.S, ACS (CS)	
MALIAKAL JOSE PAUL	INDEPENDENT DIRECTOR
M S RAJAGOPAL	
Manojkumar R	NON-EXECUTIVE DIRECTOR
Royal gold	ENTITY IN WHICH RELATIVE OF KMP / DIRECTOR IS INTERESTED
Tanzanite Marketing Solutions (OPC) Pvt Ltd	
Mini Muthoottu Mathew Memorial Foundation	
ARLIN ANNA PHILIP	RELATIVE OF KEY MANAGERIAL PERSONNEL
ROY M MATHEW	
MINI MUTHOOTTU NIDHI KERALA LTD	ENTITY IN WHICH KMP HAS SIGNIFICANT INFLUENCE
MINI MUTHOOTTUNIRMAN&REAL ESTATE P LTD	
M/S MUTHOOTTU MINI HOTELS P LTD	
MUTHOOTTU FINANCE AND SERVICES PRIVATE LIMITED	
MILANCHE	
Muthoottu Infotech Private Limited	

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b) Transactions during the financial year with related parties as on 31.03.2024

(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	271.5	180	86.1	48.72	23.24
Rent/ maintenance charges	1.2	0.39	-	-	-
Debenture interest/ Subordinated debt interest	1.07	4.09	-	-	-
Debenture redeemed	0	5	-	-	-
Debenture holdings	9	35.25	-	-	-
Subordinated debt Redeemed	-	-	-	-	-
Advance for property	-	-	-	-	-
Travelling Expense	26.56	2.33	-	-	-

Particulars	**Directors**		
	Maliakal Jose Paul	M S Rajagopal	Manoj Kumar R
Sitting fee	3.4	4.45	3.2

(Rupees in lakhs)

PARTICULARS	ENTITY IN WHICH RELATIVE OF KMP / DIRECTOR IS INTERESTED			RELATIVE OF KEY MANAGERIAL PERSONNEL		ENTITY IN WHICH KMP HAS SIGNIFICANT INFLUENCE					
	Royal gold	Tanzanite Marketing Solutions (OPC) Pvt Ltd	Mini Muthoottu Mathew Memorial Foundation	ARUN ANNA PHILIP	ROY M MATHEW	MINI MUTHOOTTU NIDHI KERALA LTD	MINI MUTHOOTTU NIRMAN &REAL ESTATE P LTD	M/S MUTHOOTTU MINI HOTELS P LTD	MUTHOOTTU FINANCE AND SERVICES PRIVATE LTD	MILANCHE	Muthoottu Infotech Private LTD
SALARY AND ALLOWANCE	-	-	-	-	-	-	-	-	-	-	-

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SITTING FEE	-	-	-	-	-	-	-	-	-	-	-
RENT/MAINTENANCE CHARGES Paid	-	-	-	-	1.81	7.23	6.60	5.40	-	-	-
RENT RECEIVED	3.34	-	-	-	-	17.55	-	-	-	1.80	0.74
TRAVELLING EXPENSES	-	-	-	0.29	-	-	-	-	-	-	-
DEBENTURE/subdebt INTEREST	-	-	-	7.48	1.52	-	-	-	-	-	-
DEBENTURE/subdebt REDEEMED	-	-	-	-	-	-	-	-	-	-	-
DEBENTURE/ subdebt HOLDINGS	-	-	-	54.00	26.00	-	-	-	-	-	-
Loan Against Property Outstanding	-	-	-	-	-	-	-	551.30	-	-	-
Interest on Loan against property	-	-	-	-	-	-	-	80.67	-	-	-
Principal repayment of Loan against property	-	-	-	-	-	-	-	45.09	-	-	-
CSR	-	-	19.34	-	-	-	-	-	-		-
Commission Received	10.56	-	-	-	-	-	-	-	-	-	-
IT Consultancy and Support Services	-	-	-	-	-	-	-	-	-	-	108.54
Purchase for marketing Activities	-	3.10	-	-	-	-	-	-	85.94	-	-
Purchase of Gold Coin	26.17	-	-	-	-	-	-	-	-	-	-
Business promotion	0	18.21	-	-	-	-	-	-	-	-	-
Purchase of Material	-	-	-	-	-	-	-	-	-	18.21	-

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 Hotels Private Limited;
2. Muthoottu Mini Theatres 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 31.03.2023:

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	264.00	180.00	67.79	45.84	21.84
Rent/ maintenance charges	3.59	1.16	-	-	-
Debenture interest/ Subordinated debt interest	1.53	4.12	-	-	-
Debenture redeemed	15.20	7.50	-	-	-
Debenture holdings	10.00	39.11	-	-	-
Subordinated debt Redeemed	4.50	-	-	-	-
Advance for property	-	-	-	-	-
Travelling Expense	17.33	1.04	-	-	-

Particulars	**Directors**		
	Maliakal Jose Paul	M S Rajagopal	Manoj Kumar R
Sitting fee	1.75	3.15	1.55

Particulars	**Relative of KMP**		**Entity in which KMP has significant Influence**					
	Roy M Mathew	Royal Gold	Mini Muthoottu Nidhi Kerala Ltd	MM Nirman and Real Estate P Ltd	Muthoottu Mini Hotels P Ltd	Muthoottu Finance And Services Pvt Ltd	Miilanche	Muthoottu Infotech
Rent/ maintenance charges	5.44	-	7.23	6.60	6.79	-	-	-
Rent received	-	3.59	18.95	-	-	-	2.12	0.28
Debenture interest/ Subordinated debt interest	0.36	-	-	-	-	-	-	-

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Subdebt Holdings	5.00	-	-	-	-	-	-	-
Subdebt Redeemed	1.12	-	-	-	-	-	-	-
Loan against property outstanding	-	-	-	-	596.39	-	-	-
Interest on Loan against property	-	-	-	-	86.53	-	-	-
Principal repayment of Loan against property	-	-	-	-	39.23	-	-	-
Purchase of Marketing Materials	-	-	-	-	-	30.86	-	-
Purchase of Materials	-	-	-	-	-	-	26.10	-
Commission Received	-	8.71	-	-	-	-	-	-
Purchase of Gold Coin	-	3.02	-	-	-	-	-	-
IT Consultancy & Support Services	-	-	-	-	-	-	-	22.23

4. Managerial remuneration

(Rupees in lakhs)

Whole time director	**2023-24**	**2022-23**
Nizzy Mathew	180.00	180.00
Mathew Muthoottu	271.5	264.00
Key managerial person		
P E Mathai	86.1	67.79
Ann Mary George	48.72	45.84
Smitha K S	23.24	21.84
Total	609.56	**579.47**

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

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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 31.03.2024	As at 31.03.2023
1. CRAR- Tier I Capital	63,712.91	55,983.82
2. CRAR- Tier II Capital	26,063.53	23,893.12
3. Total Capital	89,776.44	79,876.94
4. Risk Weighted Assets	3,76,262.39	3,50,103.70
5. CRAR- Tier I Capital (%)	16.93%	15.99%
6. CRAR- Tier II Capital (%)	6.93%	6.82%
7. Total CRAR (%)	23.86%	22.81%

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	31-03-2024				31-03-2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis								
Financial investment held for trading	-	-	-	-	-	-	-	-
Equity Shares	20.34	-	971.80	992.14	8.73	-	971.80	980.53
Total Assets measured at fair value on a recurring basis	**20.34**	**-**	**971.80**	**992.14**	**8.73**	**-**	**971.80**	**980.53**
Assets measured at fair value on a non-recurring basis	-	-	-	-	-	-	-	-
Liabilities measured at fair value on a recurring basis								

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Derivative financial instruments -Forward contracts	-	-	-	-	-	-	-	-
-Cross Currency Swaps	-	-	-	-	-	-	-	-
Total derivative financial instruments	-	-	-	-	-	-	-	-
Total Liabilities measured at fair value on a recurring basis	-	-	-	-	-	-	-	-
Liabilities measured at fair value on a non-recurring basis	-	-	-	-	-	-	-	-

c. ***Valuation Technique***

Equity Instruments: Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by case and classified as Level 3. Quoted equity instruments on recognised stock exchanges are valued at Level 1 hierarchy being the unadjusted quoted price as at 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 uo transfers from or to level 3

e. ***Movements in Level 3 financial instruments measured at fair value:***

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Company requires significant unobservable inputs to calculate their fair value. The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	**Equity Instruments**	
	As at March 31, 2024	**As at March 31, 2023**
Opening Balance	**971.80**	**900.00**
Purchase	-	**71.80**
Sales	-	
Unrealized gains and losses related to balances held at the end of the year	-	**0.00**
Closing Balance	**971.80**	**971.80**

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f. 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	
		31-03-2024	31-03-2023	31-03-2024	31-03-2023
Financial assets					
Cash and cash equivalents	1	10,269.47	4,013.72	10,269.47	4,013.72
Bank Balance other than (a) above	1	44,857.57	31,488.71	44,857.57	31,488.71
Loans	3	3,49,807.61	3,24,398.88	3,49,807.61	3,24,398.88
Investments	1	992.14	980.53	992.14	980.53
Other financial assets	3	2,026.45	2,386.03	2,026.45	2,386.03
Total Financial assets		**4,07,953.24**	**3,63,267.87**	**4,07,953.24**	**3,63,267.87**
Financial liabilities					
Debt Securities	2	1,36,226.23	1,43,772.51	1,36,226.23	1,43,772.51
Borrowings (other than debt securities)	2	1,91,229.90	1,52,665.35	1,91,229.91	1,52,665.35
Subordinated liabilities	2	30,664.31	24,300.29	30,664.31	24,300.29
Other financial liabilities	2	1694.17	1,739.64	1,694.17	1,739.64
Total Financial liabilities		**3,59,814.61**	**3,22,477.79**	**3,59,814.61**	**3,22,477.79**

g. 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

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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.

A. Risk management structure

The Company has constituted Risk Management Committee comprising members of the Board 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.

B. 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

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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:

(a) 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;

(b) 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.

C. Internal Audit Department & Risk Audit

Company's internal audit department assists in the management of operational risk. An Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

D. Assets-Liabilities Management Policy

The asset-liability management policy ("ALM Policy") adopted by the Board is reviewed periodically and last updated on May 20, 2022.

E. Analysis of risk concentration

(i) 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

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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 ₹ 1 lakh to an individual customer. We also decrease credit risk by close 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 31/03/2024 **(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
Tamil Nadu	1,21,662.63	6,507.52	755.83	1,28,925.98
Kerala	52,782.77	2,297.02	839.38	55,919.17
Andhra Pradesh	48,947.81	3,226.92	172.27	52,347.01
Karnataka	44,664.49	2,158.28	1,087.70	47,910.47
Others*	62,889.83	4,025.99	259.12	67,174.94
Total	3,30,947.54	18,215.72	3,114.31	3,52,277.57

As on 31/03/2023 **(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
Tamil Nadu	1,37,095.00	3,205.53	535.45	1,40,835.99
Kerala	44,079.73	1,100.19	425.47	45,605.39
Karnataka	43,182.55	994.91	268.55	44,446.02
Andhra Pradesh	37,379.66	1,029.11	69.05	38,477.82
Others*	54,722.68	2,089.09	101.28	56,913.05
Total	3,16,459.63	8,418.83	1,399.81	3,26,278.27

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

(ii) Coliateral and other credit enhancements

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

The tables below discloses the maximum exposure to credit risk by class of financial asset. They also discloses 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 31/03/2024

(Rupees in lakhs)

Particulars	As at March 31, 2024	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
ASSETS											
Financial assets											
Cash and cash equivalents	10,269.47	10,269.47	10,269.47						10,269.47		
Bank Balance other than (a) above	44,857.57	44,857.57	44,857.57						44,857.57		-
Loans											
(a) Gold Loan	3,22,221.23	3,22,221.23				3,22,221.23		1,33,940.48	4,56,161.71		1,581.46
(b) Loan Against Property	643.23	643.23	-	643.23	-	-	-	739.27	1,382.50		176.39
(c) Micro finance	29413.11	29413.11	-	-	-	-	-	-	-		712.10
Investments	992.14	992.14					992.14		992.14	-	-
Other financial assets	2,026.45	2,026.45							-	2,026.45	-
Total	4,10,423.26	4,10,423.26	55,127.10	643.23	0.00	3,22,221.23	992.14	1,34,679.75	5,13,663.45	2,026.45	2,469.96

As at 31/03/2023

(Rupees in lakhs)

Particulars	As at March 31, 2023	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
ASSETS											
Financial assets											
Cash and cash equivalents	14,913.36	14,913.36	14,913.36						14,913.36	-	
Bank Balance other than (a) above	20,589.07	20,589.07	20,589.07						20,589.07	-	

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Loans									-	-	
(a) Gold Loan	3,03,595.41	3,03,595.41				3,03,595.41		1,33,893.02	4,37,488.43		1,281.37
(b) Loan Against Property	554.69	554.69		554.69	-			827.81	1,382.50		133.63
(c) Micro finance	20,248.78	20,248.78								20,248.78	464.39
Investments	980.53	980.53					980.53		980.53		
Other financial assets	2,386.03	2,386.03							-	2386.03	
Total	3,63,267.87	3,63,267.87				303595.41	980.53	134720.83	475353.89	22634.81	1879.39

(iii) 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.

(iv) 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.

(v) Operational Risk

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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, 2024, our Company has a total insurance cover of ₹5,50,000 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	43.06%	43.06%	43.06%
Loan Against Property	91.93%	91.93%	100.00%

- **Probability of Default (PD)**

The Probability of Default is an estimate of the likelihood of default over a given time

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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	6.32%	6.32%	100.00%
Microfinance	6.45%	6.45%	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*	6.33%	6.33%	6.33%
Microfinance	65.00%	65.00%	65.00%
Loan Against Property	50.00%	50.00%	100.00%

* For Gold Loans reported in Fraud Monitoring Returns, a provision equivalent to 100% is created for Stage 3.

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

(vi) 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 31,2024.

Maturity pattern of assets and liabilities as on March 31, 2024

(Rupees in lakhs)

Particulars	As at March, 31 2024	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
Financial assets									
Cash and cash equivalents	7,734.05	7,652.65				81.40			
Bank Balance other than (a) above	47,392.99	2,535.35				41,154.99	2,339.15	1,363.50	-
Receivables									
Loans	3,49,807.61	24,324.86	31,304.48	31,931.85	1,10,102.68	1,27,342.83	23,605.25	524.01	671.65
Investments	992.14								992.14
Other financial assets	2,026.45	27.21	27.21	27.21	81.62			1863.2	
Total Financial Assets	**4,07,953.24**	**34,540.07**	**31,331.69**	**31,959.06**	**1,10,184.30**	**1,68,579.22**	**25,944.40**	**3,750.71**	**1,663.79**
Financial Liabilities									

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Debt Securities	1,36,226.23	10,117.88	6,472.96	0	13,167.45	14,075.42	67,437.32	24,955.20	0.00
Borrowings (other than debt securities)	1,91,229.90	3,714.35	3846.07	7,766.49	13,067.64	1,19,152.62	42,677.79	969.07	35.91
Subordinated liabilities	30,664.31	161.98					2,201.01	21,603.34	6,697.98
Other financial liabilities	1,694.17	141.18	141.18	141.18	423.54	847.09			
Total Financial Liabilities	**3,59,814.61**	**14,135.39**	**10,460.21**	**7,907.67**	**26,658.59**	**1,34,075.13**	**1,12,316.12**	**47,527.61**	**6,733.89**
Net Undiscounted Asset/(Liabilities)		**20,404.68**	**20,871.48**	**24,051.39**	**83,525.71**	**34,504.09**	**-86,371.72**	**-43,776.90**	**-5,070.10**

Maturity pattern of assets and liabilities as on March 31, 2023

(Rupees in lakhs)

Particulars	**As at March, 31 2023**	**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**
Financial assets									
Cash and cash equivalents	14,913.36	8,554.66	3,363.34	2,995.36					
Bank Balance other than (a) above	20,589.07				5,189.04	8,149.42	5,961.66	1288.95	
Receivables									
Loans	3,24,398.88	7,120.79	17,519.29	21,900.34	66,152.62	1,90,977.01	18,732.63	275.50	1,720.70
Investments	980.53								980.53
Other financial assets	2,386.03	186.18					2,199.85		
Total Financial Assets	**3,63,267.87**	**15,861.63**	**20,882.63**	**24,895.70**	**71,341.66**	**1,99,126.43**	**26,894.14**	**1,564.45**	**2,701.23**
Financial Liabilities									
Debt Securities	1,43,772.51	2,586.61	4,022.35		16,011.36	6,613.88	69,522.14	41,323.73	3,692.44
Borrowings (other than debt securities)	1,52,665.35	1,834.47	1,930.19	4,612.92	7,102.33	98,046.37	37,169.48	1,936.83	32.76
Subordinated liabilities	24,300.29	579.55	8.26				1,593.08	12,705.80	9,413.60
Other financial liabilities	1,739.64	141.02	141.02	141.02	423.07	846.16	47.35		
Total Financial Liabilities	**3,22,477.79**	**5,141.65**	**6,101.82**	**4,753.94**	**23,536.76**	**1,05,506.41**	**1,08,332.05**	**55,966.36**	**13,138.81**
Net Undiscounted Asset/(Liabilities)		**10,719.98**	**14,780.81**	**20,141.76**	**47,804.90**	**93,620.02**	**-81,437.91**	**-54,401.91**	**-10,437.58**

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**
AS at March 31, 2024								
Income tax demands						851.57		

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AS at March 31, 2023								
Income tax demands						851.57		

(vii) 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
On Floating Rate Borrowings	**1,921.68**	**(-1,921.68)**

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 ₹ 2,323.88 lakhs (Previous year ₹ 2,196.71 lakhs) are recognized as rent paid in the Statement of Profit and loss.

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

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, 2024	Year ended March 31, 2023
Securitisations		
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
Fair Value of assets	Nil	Nil
Fair value of associated liabilities	Nil	Nil
Net position at Fair Value	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

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expected to be recovered or settled.

(Rupees in lakhs)

Particulars	As at March31, 2024	Within 12 months	After 12 months
ASSETS			
Financial assets			
Cash and cash equivalents	7,734.05	7734.05	-
Bank Balance other than (a) above	47,392.99	43,690.34	3,702.65
Loans	3,49,807.61	3,25,006.69	24,800.92
Investments	992.14	-	992.14
Other financial assets	2,026.45	163.23	1,863.22
Non-financial Assets		-	-
Current tax assets (Net)	2199.95	-	2199.95
Deferred tax assets (Net)	215.09	-	215.09
Property, Plant and Equipment	19,923.16	-	19,923.16
Other intangible assets	222.96	-	222.96
Other non-financial assets	1043.07	1043.07	-
Total Assets	**4,31,557.47**	**3,77,637.38**	**53,920.09**
LIABILITIES			
Financial Liabilities			
Debt Securities	1,36,226.23	43,833.71	92,392.52
Borrowings (other than debt securities)	1,91,229.90	1,47,547.13	43,682.77
Subordinated liabilities	30,664.31	161.98	30,502.33
Other financial liabilities	1,694.17	1,694.17	
Non-financial Liabilities		-	-
Provisions	581.62	581.62	-
Other non-financial liabilities	576.82	576.82	-
Total Liabilities	**3,60,973.05**	**1,94,395.43**	**1,66,577.62**
Net Undiscounted Asset/(Liabilities)		1,83,241.95	-1,12,657.53

(Rupees in lakhs)

Particulars	As at March31, 2023	Within 12 months	After 12 Months
ASSETS			
Financial assets			
Cash and cash equivalents	14,913.36	14,913.36	-
Bank Balance other than (a) above	20589.07	13,338.46	7,250.61
Loans	3,24,398.88	3,03,991.63	20,407.25
Investments	980.53	-	980.53
Other financial assets	2,386.03	186.18	2,199.85
Non-financial Assets		-	-
Current tax assets (Net)	1,789.42	-	1,789.42

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Deferred tax assets (Net)	220.02	-	220.02
Property, Plant and Equipment	19,389.58	-	19,389.58
Other intangible assets	76.30	-	76.30
Other non-financial assets	1069.29	1069.29	-
Total Assets	**3,85,812.48**	3,33,498.92	52,313.56
LIABILITIES			
Financial Liabilities			
Debt Securities	1,43,772.51	28,469.08	1,15,303.43
Borrowings (other than debt securities)	1,52,665.35	83,837.18	68,828.17
Subordinated liabilities	24,300.29	587.81	23,712.48
Other financial liabilities	1,739.64	1,692.29	47.35
Non-financial Liabilities		-	-
Provisions	509.34	509.34	-
Other non-financial liabilities	306.24	306.24	-
Total Liabilities	**3,23,293.37**	1,15,401.94	2,07,891.43
Net Undiscounted Asset/(Liabilities)		2,18,096.98	(1,55,577.87)

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 2023	Cash flows	Change in Fair Value	Others	As at 31 March 2024
Borrowings (other than debt securities)	1,52,665.35	38,564.55	-	-	1,91,229.91
Subordinated liabilities	24,300.29	6,364.02	-	0.00	30,664.31
Debt Securities	1,43,772.51	-7,592.66	-	46.38	1,36,226.23
Total	**3,20,738.15**	**37,335.91**	-	**-46.38**	**3,58,120.44**

(Rupees in lakhs)

Particulars	As at 31 March 2022	Cash flows	Change in Fair Value	Others	As at 31 March 2023
Borrowings (other than debt securities)	77,321.61	75,343.74	-	-	1,52,665.35
Subordinated liabilities	26,587.21	(2,286.92)	-	-	24,300.29
Debt Securities	1,61,162.47	(17,659.28)	-	269.32	1,43,772.51
Total	**2,65,071.29**	**55,721.34**		**(54.48)**	**3,20,738.15**

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12. **List of statutory dues outstanding for a period of more than 6 months from tbe duedate**

Nature of dnes	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 31.03.2024	As at 31.03.2023
Claims against the company not acknowledged as debts - Income tax demands	851.57	851.57

a. Claims against the company not acknowledged as debts

Sl. No	Name of the statute	Nature of Dues	Tax Demand (In lakhs)	Tax paid (In lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax demands	68.58	51.65	AY 2010-11	Commissioner of Income-tax (Appeals), Kochi
2	Income Tax Act, 1961	Income Tax demands	199.84*	39.96	AY 2013-14	Commissioner of Income-tax (Appeals), Kochi
3	Income Tax Act, 1961	Income Tax demands	270.19*	54.04	AY 2015-16	Commissioner of Income-tax (Appeals), Kochi
4	Ineome Tax Act, 1961	Income Tax demands	170.38*	34.08	AY 2016-17	Commissioner of Income-tax (Appeals), Kochi
5	Income Tax Act, 1961	Income Tax demands	118.58*	23.72	AY 2017-18	Commissioner of Income-tax (Appeals), Kochi
6	Income Tax Act, 1961	Income Tax demands	227.45	-	AY 2017-18	Honorable High court of Kerala

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Total	**1055.02**	**203.45**	

* Of the above, Bank Guarantee in favor of the Commissioner of Income-Tax has been taken for Rs 607.19.

B. Other Commitments

a. Estimated amount of contracts remaining to be executed on capital accounts, net of advances – nil (PY Nil)

b. The capital advance given in the FY 2021-2022 includes capital advance of ₹46.50 lakhs paid to LCode Technologies Pvt. Ltd. on 28.01.2020 for implementing the software product 'Reach NBFC Prosper System' with proper Service Level Agreement at place. However, due to the continuous failure of the software after implementation and considering the non-responsive attitude of LCode towards the issues, a show cause notice was served dated 21.02.2022, and thereafter a termination notice dated 17.05.2022 through our advocates Menon & Pai claiming the refund of Rs.46.50 lakhs with interest plus Rs.1.68 crores towards compensation. Currently the case is pending for arbitration proceedings before the Arbitral Tribunal. Kochi. A provision of 32.55 lakhs equivalent to 70% of advance is created as of 31.03.2024.

c. Commitments relating to loans sanctioned but undrawn (PY – Nil)

Lender	Type of Facility	Sanctioned Amount (Rs. Crore)	Un-availed (Rs. Crore)
Bajaj Finance Ltd	Termloan	15	5

14. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction yet to he registered with Registrar of Companies beyond the statutory period, as on 31st March 2024.

15. Corporate Social Responsibility (CSR)

(Rupees in lakhs)

Particulars	Year ended as at 31.03.2024	Year ended as at 31.03.2023
a) **Gross amount required to be spent by the Company during the year**	129.49	122.05
b) **Amount spent during the year**		
- On purposes other than construction/acquisition of any asset		
- Spent	115.68	92.71
- Yet to be spent	13.81	29.34
Total	**129.49**	**122.05**

(a) Nature of CSR activities:

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Healthcare, Education, Rural infrastructure, eradicating poverty

(b) 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:

Entity in which KMP has significant Influence	Amount (In Lakhs)
Mini Muthoottu Mathew Memorial Foundation	19.34

(c) 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.

16. Disclosure regarding auditor's remuneration disclosed under Legal & Professional charges

In addition to auditor's remuneration shown in note 25 other expenses under Auditor's Fees & Expenses, the Company has also incurred remuneration for audit and related statutory services performed in connection with public issue of non-convertible debentures. The same is included in note 25 other expenses under Legal & Professional charges.

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 ₹6.96 lakhs had been refunded to the customers during the current FY and ₹21.76 lakhs during last FY. As on 31st March 2024 the outstanding balance is Rs.95.78 lakhs.

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, one of our suppliers 'Link in time' have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006".

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Supplier	Principal Due	Interest Due	Total Outstanding
LINK IN TIME*	2,82,716.00	Nil	2,82,716

**Dues are outstanding for less than one months and payment were settled on 04-04-2024.*

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 31.03.2024			As at 31.03.2023	% Variance	Reasons for variance if above 25%
	Nnmerator	Denominator	Ratio	Ratio		
1. CRAR	89,776.44	3,76,262.39	23.86%	22.81%	1.05%	
2. Tier I CRAR	63,712.91	3,76,262.39	16.93%	15.99%	0.94%	
3. Tier II CRAR	26,063.53	3,76,262.39	6.93%	6.82%	0.11%	
4. Liquidity Coverage Ratio	25,726.85	15,721.92	163.60%	139.8%	23.7%	

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) whose title deeds are not held in the name of company during the FY ended 31/03/2024 and 31/03/2023.

23. Details of Crypto currency or Virtual Currency

The company has not traded or invested in crypto currency or virtual currency during the FY 31/03/2024 and 31/03/2023.

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 31/03/2024 and 31/03/2023.

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 willful defaulter by any bank or financial institutions or

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other lender in the financial year ended 31/03/2024 and 31/03/2023.

27. Relationship with Struck off Companies

The Company does not have any relation with struck off companies as on 31/03/2024 and 31/03/2023.

28. Compliance with approved scheme of Arrangements

The Company does not have active approved scheme of arrangements as on 31/03/2024 and 31/03/2023.

29. Utilisation of Borrowed fund and share premium

As part of normal course of business, the Company grants loans 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. Items of income and expenditure of exceptional nature

There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2024 and March 31, 2023

32. Investment in Subsidiaries

The Company does not have any subsidiary Company and hence this clause is not applicable.

33. Disclosure on modified opinion, if any, expressed by auditors, its impact on various financial items and views of management on audit qualifications.

The auditors have expressed an unmodified opinion on the standalone financial statements of the Company for the financial years ended Mareh 31, 2024 and March 31, 2023

34. Corporate Governance report containing composition and category of directors, shareholding of non-executive directors, etc.

The corporate governance report containing composition and category of directors, shareholding of non-executive directors is part of the annual report for the financial year ended March 31, 2024.

35. Auction Details

The Company auctioned 13,458 loan accounts (March 31, 2023: 12,519) during the financial year

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and the outstanding dues on these loan accounts were Rs. 71.08 crores (March 31, 2023: Rs. 60.81 Crores) till the respective dates of auction. The Company realised Rs. 68.02 crores (March 31, 2023: Rs.61.20) on auctioning of gold jewellery taken as security on these loans. The Company confirms that none of its sister concerns participated in the above auctions.

36. Loans to Directors, Senior Officers and relatives of Directors

Disclosure pursuant to RBI notification RBI/2022-23/29 DOR.CRE.REC.No.25/ 03.10.001 /2022-23 dated April 19, 2022.

Particulars	Aggregate amount of such sanctioned loans and advances	
	2024	2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

37. Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

38. Whistle- blower Complaints

There were 2 whistle blower complaints received by the Company during the financial year ended March 31, 2024 and all were resolved during the year itself.

39. Discontinued Operations

The Company had no discontinued operations during the financial year ended March 31, 2024 and March 31, 2023

40. Breach of covenant

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2024 and March 31, 2023.

41. Unhedged foreign currency exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2024 and March 31, 2023.

42. Undisclosed income

There are no transactions not recorded in the books of accounts for the financial years ended March 31, 2024 and March 31, 2023

43. Events after reporting date

There are no events after reporting date for the FY 2023-24.

44. Previous year figures

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

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MUTHOOTTU MINI FINANCIERS LIMITED
Muthoottu Royal Towers Kaloor Kochi Kerala 682017

Additional disclosures required as per Reserve Bank of India guidelines

1. **Disclosure required as per annex VIII of Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023.**

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

	Pacticulars			(Rupees in Lakhs)
	Liabilities side		**Amount outstanding**	**Amount Overdue** **
1	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid : Gross Amount**			
	(a)	Debentures: Secured	1,20,916.42	114.50
		: Unsecured (other than falling within the meaning of public deposits*)	15,846.45	67.60
	(b)	Deferred Credits	-	-
	(c)	Term Loans	1,01,074.67	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits*	-	-
	(g)	Other Loans (specify nature)	-	-
		Subordinated debt	30,502.33	161.98
		Borrowings from banks	91,092.88	-
	** Please see Note 1 below* *** Debenture Matured but Not Claimed*			
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**			
	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where	-	-

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		there is a shortfall in the value of security		
	(c)	Other public deposits	-	-
	** Please see Note 1 below*			
	Assets side		**Amount outstanding**	
3	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**			
	(a)	Secured	3,22,864.46	
	(b)	Unsecured	29,413.11	
4	**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**			
	(i)	Lease assets including lease rentals under sundry debtors :		
		(a) Financial lease		
		(b) Operating lease		
	(ii)	Stock on hire including hire charges under sundry debtors :		
		(a) Assets on hire		
		(b) Repossessed Assets		
	(iii)	Other loans counting towards AFC activities		
		(a) Loans where assets have been Repossessed		
		(b) Loans other than (a) above		
5	**Break-up of Investments**			
	Current Investments			
	1	Quoted		
		(i) Shares		-
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		-
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-
	2	Unquoted		
		(i) Shares		-
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		-
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-
	Long Term investments			

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	1	Quoted	
		(i) Share	
		(a) Equity	20.34
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	
	2	Unquoted	
		(i) Shares	-
		(a) Equity	971.80
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	

6	**Borrower group-wise classification of assets financed as in (3) and (4) above :**				
			Amount net of provisions		
	Category		**Secured**	**Unsecured**	**Total**
	1	Related Parties			
		(a) Subsidiaries	-	-	-
		(b) Companies in the same group	551.30		551.30
		(c) Other related parties			-
	2	Other than related parties	3,22,313.16	29,413.11	3,51,726.27
		Less: provisions	1,757.86	712.10	2,469.96
		Total	3,21,106.60	28,701.01	3,49,807.61

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	-	-

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		(b) Companies in the same group	-	-
		(c) Other related parties	-	-
	2	Other than related parties	992.14	992.14
		Total	**992.14**	**992.14**
8	**Other information**			

		Particulars	Amount
	(i)	Gross Non-Performing Assets	
		(a) Related parties	-
		(b) Other than related parties	3,114.32
	(ii)	Net Non-Performing Assets	
		(a) Related parties	-
		(b) Other than related parties	2,532.56
	(iii)	Assets acquired in satisfaction of debt	

Notes :

(1) As defined in paragraph 5.1.26 of the Directions..

(2) Provisioning norms shall be applicable as prescribed in these Directions.

(3) All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for 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 they are classified as long term (amortised cost in the case of Ind AS) or current (fair value in the case of Ind AS) in (5) above..

2. **Gold and other loan portfolio classification and provisioning of assets:**

(Rupees in Lakhs)

Particulars	Gross loan outstanding	Provision for assets	Net loan outstanding
(i) Secured Loans			
A) Gold loans			
a) Standard Assets*	3,19,852.68	1,280.53	3,18,572.15
b) Sub-Standard Assets	1,490.42	94.34	1,396.07
c) Doubtful Assets	716.93	45.38	671.55
d) Loss Assets	161.21	161.21	0.00
Total-A	**3,22,221.23**	**1,581.46**	**3,20,639.77**
B) Other loans			
a) Standard Assets*	551.30	84.46	466.84
b) Sub-standard Assets	-	-	
c) Doubtful Assets	-	-	
d) Loss Assets	91.93	91.93	-

Total–B	643.23	176.39	466.84
Total-(A + B)	3,22,864.46	1,757.85	3,21,106.61
(ii) Unsecured loans			
A) Other loans			
a) Standard Assets*	28,759.28	523.20	28,236.08
b) Sub-standard Assets	268.57	79.55	189.01
c) Doubtful Assets	385.26	109.35	275.91
d) Loss Assets	-	-	-
Total-A	29,413.11	712.10	28,701.01
Total (i + ii)	3,52,277.58	2,469.96	3,49,807.61

*Includes interest receivable

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

(Rupees in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for diminution in value of investment	-	-

4. **Loan to Value Ratio**

(Rupees in Lakhs)

Particulars	As at 31.03.2024			As at 31.03.2023		
	Outstanding loan amount	Value of the security	%	Outstanding loan amount	Value of the security	%
Gold loan*	3,22,221.23	4,56,161.71	70.64%	3,04,876.78	4,37,488.43	69.69%

*includes interest receivable.

LTV disclosed above is calculated applying the market rate of Gold as on 31.03.2024. 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 31.03.2024	As at 31.03.2023
1. No. of gold loan accounts auctioned	13,458	12,519.00
2. Principal amount outstanding as on the date of auction	5,072.41	4,648.27
3. Interest amount outstanding as on the date of auction	2,035.71	1,432.57
Total(2+3)	7,108.12	6,080.84
4. Actual value fetched (in Lakhs)	6,802.04	6,120.37

No sister concerns participated in the auctions during the year ended 31/03/2024 and 31/03/2023

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6. Disclosure of Fraud

A. Frauds reported in FMR

(Rupees in lakhs)

SL NO	BRANCH	DATE OF DETECTION / DATE OF REPORTING TO RBI	AMOUNT (IN LAKH)	MODUS OPERANDI & ACTION TAKEN	RECOVERY (LAKH)	AMOUNT WRITTEN OFF	PROVISION	REMARKS
1	UKKADAM	27-05-2023/ 15-06-2023	2.3	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	2.3	0	0	Under investigation. Recovery throgh insurance 1.89 and Staff 0.41.
2	V KOTA	02-06-2023/ 20-06-2023	1.4	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	0	0	1.4	Under investigation
3	NAZARETH	30-06-2023/ 12-07-2023	1.95	Thickly gold coated spurious ornaments were pledged intentionally by the customer. Insurance amount Rs 1.13 and recovery from the staff 0.12. FMR - 3 updated on 16-10-2023.	1.25	0.7	0	Under investigation
4	CHECKKANOORANI	06-07-2023/ 18-07-2023	30.94	Suspended branch manager Thanapandi C colluded with Raja and Anitha, took away the following 10 gold packets which were pledged in the branch by customers for a total sum of Rs.30.94 Lakhs.	30.94	0	0	Under investigation FMR - 3 updated on 30-03-2024; Insurance claim received
5	YOGI CHOWK	05-07-2023/ 28-07-2023	35.04	It was found that Branch staff colluded with RM and misappropriated the Gold loan packet (3892) amounting Rs 33.3 Lakhs.In order to hide the fraudulent activity they had closed another packet . On detailed verification, there was a cash misappropriation of Rs. 1.74 lakhs in relation to the closure of 3 packets (3675,3881,3905)	34.41	0.63	0	Under investigation. 4 staff terminated on 25-08-2023. FMR - 3 updated on 30-03-2024. Insurance- 33.98 Lakhs, Staff - 0.43 Lakhs, Written Off - 0.63 Lakhs
6	DILSHAD COLONY	05-09-2023/ 18-09-2023	1.15	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	0.9	0.25	0	Under investigation FMR - 3 updated on 08.12.2023 - Insurance 0.55 Lakhs, Recovery from the staff - 0.35 Lakhs
7	SAMATHANAPURAM	30-09-2023/ 16-10-2023	2.99	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method.	0	0	2.99	Under investigation

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8	CUDDALORE OT	10-10-2023/ 30-10-2023	10.88	Staff colluded with customer and pledged spurious ornaments in customer account. Also done cash misappropriation through excess weight and enhancing the loan amount without the customer knowledge.	10.88	0	0	Under investigation Recovery 0.60 Lakhs on 10-11-2023 BM suspended on 03-11-2023. (FMR - 3 updated on 15-11-2023) FMR - 3 updated on 23-11-23; 1 account closed (0.03 Lakhs) FMR - 3 updated on 18-12-23; 1 account closed (0.12 Lakhs) FMR - 3 Updated on 17-01-24; Recovery in 1 account (4.23 Lakhs) FMR - 3 Updated on 04-03-2024; 2 staff terminated on 16-02-2024. FMR-3 Updated on 17-04-2024. 2 account settled on 09.04.24 and 10.04.24
9	BOMMANAHALLI	20-10-2023/ 08-11-2023	1.14	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method.	0	0	1.14	Under investigation
10	K PUDUR	21-10-2023/ 10-11-2023	15.61	Group of customer intentionally pledged spurious ornaments	15.02	0.59	0	Under investigation FMR - 3 updated on 14-12-2023 staff suspension FMR - 3 Updated on 30-03-2024; Insurance - 14.81 Lakhs, Staff - 0.21 Lakhs, Written Off - 0.59 Lakhs
11	SATTENAPALLI	01-11-2023/ 21-11-2023	3.98	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method.	3.98	0	0.00	Under investigation All accounts closed by the customer on 05.01.2024 and FMR - 3 reported on 11-01-2024
12	TUGHLAKABAD	23-12-2023/ 10-01-2024	6.33	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method. The incident period between 08-10-2023 to 17-11-2023. Total amount involved 6.33 Lakhs.	0	0	6.35	Under investigation
13	VIDYARANYAPURA	05-03-2024/ 21-03-2024	7.15	Thickly gold coated ornaments with inside other metal is pledged by the customer. The same is difficult to identify in the normal appraisal method. The incident period between 31-01-2024 to 27-02-2024. Total amount involved 7.15 Lakhs.	0	0	7.15	Under investigation
14	ANANTHAPURAM RC NAGAR	13-03-2024/ 28-03-2024	1.29	Thickly gold coated ornaments with other metals inside and difficult to appraise through normal appraisal methods was pledged by the customer	1.29	0	0.00	Under investigation Loan closed on 10-04-2024 FMR - 3 updated on 17-04-2024
	TOTAL		**122.15**		**100.97**	**2.17**	**19.03**	

B. Frauds amounting to less than one lakhs

Sino	GL No	Branch	Customer Name	Loan Date	Irregularity	Amount of Irregularity	Loan Amount	GL Status
1	9938	KAR-CHANDAPURA	S MANJUNATHA	18-04-2023	SPURIOUS	69338	96200	CLOSED
2	1014	GUJ-HIRABAUGH-SURAT	HITESHBHAI R BAVADIYA	02-05-2023	SPURIOUS	73764	245860	CLOSED
3	20824	KAR-KR PET	KUSUMA	14-04-2023	SPURIOUS	59145	69000	CLOSED
4	19940	APR-M R PALLI	T MALLIKA	01-06-2023	SPURIOUS	60030	89000	CLOSED
5	4008	GUJ-YOGI CHOWK-SURAT	KAKADIYA CHIRAG ARAVINDBHAI	01-06-2023	SPURIOUS	80000	80000	CLOSED
6	1081247	KAR-PEENYA	CHANDRA VIJAY V	05-04-2023	SPURIOUS	55480	95000	CLOSED
7	35496	TML-VASUDEVANALLUR	PADALINGAM	15-06-2023	SPURIOUS	77209	271500	CLOSED
8	41659	TML-SOUTH VELI STREET	GURUDEVI P	24-04-2023	SPURIOUS	59130	430612	CLOSED
9	41786	TML-SOUTH VELI STREET	BASKARAN T R	15-05-2023	SPURIOUS	53950	288400	CLOSED
10	11871	TML-PUDUKKOTTAI PDK DST-3	YESUDAS SANTHIYAGU	22-03-2023	SPURIOUS	56700	56700	CLOSED
11	41615	TML-SOUTH VELI STREET	BASKARAN T.R	17-04-2023	SPURIOUS	56000	476000	CLOSED
12	41620	TML-SOUTH VELI STREET	SUJATHADEVI.B	18-04-2023	SPURIOUS	58000	58000	CLOSED
13	13340	APR-B.KOTHAKOTA	GOGULA KALYANI	29-07-2023	SPURIOUS	68544	111800	CLOSED
14	878	APR-ADDANKI	KOLA PRASAD BABU	25-08-2023	SPURIOUS	68563	644472	CLOSED
15	2589	APR-ONGOLE MAIN	SHAIK NAGOOR VALI	20-07-2023	SPURIOUS	57091	66000	CLOSED
16	1085260	APR-KUPPAM TOWN	S MURALI	30-08-2023	SPURIOUS	70296	101000	CLOSED
17	1008	GUJ-VARACHHA-SURAT	JYOTSNABEN TULSIBHAI VALA	26-06-2023	SPURIOUS	76247	159300	CLOSED
18	65910359	APR-WEST ANANDH BAGH	CHINTALAMUNI RAJU	31-07-2023	SPURIOUS	54662	99869	CLOSED
19	863	TLG-SURYAPET MAIN ROAD	GANDAMALLA VENKANNA	08-08-2023	SPURIOUS	79500	79500	CLOSED
20	21144	KAR-HOLALKERE	MANJU H R	09-06-2023	SPURIOUS	83300	99989	CLOSED
21	3107	APR-JANGAREDDYGUDEM	KOTEPALLI MOHAN PAVAN KISHOR	02-08-2023	SPURIOUS	63648	347400	CLOSED
22	3678	APR-ARILOVA	S SANYASI RAO	12-05-2023	SPURIOUS	66799	89200	CLOSED
23	424	APR-ATMAKUR	KANTE SUDHEER BABU	26-06-2023	SPURIOUS	72889	128900	CLOSED
24	10011327	KAR-MATHIKERE	YATHIRAJU.V	14-06-2023	SPURIOUS	77083	200000	CLOSED
25	13051	APR-B.KOTHAKOTA	K VENKATESH	02-06-2023	SPURIOUS	53184	123000	CLOSED
26	28104	KER-PETTAH	NISHA SB	05-08-2023	SPURIOUS	1600	27000	CLOSED
27	16697	KER-PEYADU	STEEPHEN K R	31-07-2023	SPURIOUS	4198	22000	CLOSED
28	16622	KER-PEYADU	STEEPHEN K R	15-07-2023	SPURIOUS	5834	14000	CLOSED
29	36672	KER-AMBALAPUZHA	SREEJA	24-08-2023	SPURIOUS	31724	197000	CLOSED

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30	25003772	KER-ELANJI	JOHN THOMAS	19-07-2023	SPURIOUS	38000	38000	CLOSED
31	53801956	KER-PUTHANATHANI	ABDU RAHMAN. KV	03-07-2023	SPURIOUS	51500	51500	CLOSED
32	94004530	TML-SIVAGANGAI 1	SELVI	19-08-2023	SPURIOUS	68225	160000	CLOSED
33	86637126	TML-ALANGULAM	THANGAKUMAR.R	23-08-2023	SPURIOUS	89496	92694	CLOSED
34	94004613	TML-SIVAGANGAI 1	KALIMUTHU A	26-08-2023	SPURIOUS	77000	77000	CLOSED
35	41330	TML-KARIAPATTI	MUTHUMANIKKAM	07-06-2023	SPURIOUS	54171	187500	CLOSED
36	41369	TML-KARIAPATTI	KALEESWARAN.M	09-06-2023	SPURIOUS	53456	56000	CLOSED
37	41199	TML-KARIAPATTI	VELLAICHAMY	27-05-2023	SPURIOUS	66700	66700	CLOSED
38	98618817	APR-KALYANDURGAM	ANAM MADHAN MOHAN REDDY	19-10-2023	Spurious	5223	29000	closed
39	49987	TML-MATHUR	SUDANTHIRA A W/O ANANDHAN	14-10-2023	Spurious	4018	7000	closed
40	10022020	TML-TIRUNELVELI PETTAI	GOKILA	20-10-2023	Spurious	1360	21000	closed
41	31822	TML-SATCHIYAPURAM	KARUPPAIYA	18-10-2023	Spurious	84991	85000	closed
42	15747	TML-AYOTHIYAPATTANAM	PREESKA X	05-10-2023	Spurious	1206	80000	closed
43	94004857	TML-SIVAGANGAI 1	SANGEETHA	04-10-2023	Spurious	1966	15300	closed
44	30019654	APR-PILER	S NASEEMA	10-10-2023	Spurious	3200	20000	closed
45	12077	APR-ANANTHAPURAM	SHAIK ISMAIL	25-10-2023	Spurious	25000	25000	closed
46	15724	KAR-T.C.PALYA	R VISHNU VARDHAN	07-10-2023	Spurious	4020	79972	closed
47	1120	TLG-SURYAPET MAIN ROAD	SHAIK ALEEM	03-10-2023	Spurious	8516	48000	closed
48	601434	APR-PRAKASH NAGAR	RAGHUNATH MANNA	13-10-2023	Spurious	89000	89000	closed
49	36428	TML-VASUDEVANALLUR	SELVI M	07-10-2023	Spurious	1493	11000	closed
50	37880	TML-BATLAGUNDU	THANGAM KANNAN	10-10-2023	Spurious	2000	8400	closed
51	30008131	APR-ECIL CROSS ROAD	VIJAY KUMAR SHUKLA	16-12-2023	Spurious	46000	46000	closed
52	22561	KAR-KR NAGAR	NOOR ARSHIYA	04-12-2023	Spurious	23475	99989	closed
53	43031	TML-SOUTH VELI STREET	BASKARAN T R	22-12-2023	Spurious	17290	122300	closed
54	11219	KAR-BTM LAYOUT	MOHAMMED NAYAZ ULLA	05-12-2023	Spurious	12600	200000	closed
55	11975	KAR-MANDIPET	SHAJIYA	02-12-2023	Spurious	11738	59500	closed
56	63628988	KAR-DODDA BANASAWADI	SAMSON E	25-11-2023	Spurious	8324	57297	closed
57	30480	TML-SUCHINDRUM	KALAVATHI	02-12-2023	Spurious	7001	14000	closed
58	11202	KAR-BTM LAYOUT	ANBALAGAN S	01-12-2023	Spurious	4181	99500	closed
59	2749	KER-ROYAL TOWER	ARUN ABI	14-03-2024	Spurious	6045	6045	closed

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60	6597	KER-NELLIPUZHA	SHABEENA	07-03-2024	Spurious	45000	6926	closed
61	33412	TML-KALAKAD	PAKKEER MOHIDEEN	22-03-2024	Spurious	2893	8000	closed
62	20993	TML-KUMARAPURAM-TML	THANU K C	22-03-2024	Spurious	9164	9165	closed
63	63629759	KAR-DODDA BANASAWADI	SAVITHRI	11-03-2024	Spurious	2145	13300	closed
64	35525	TML-PEIKULAM	PANGRAS	13-03-2024	Spurious	1365	15100	closed
65	20341	TML-GNANAVOLIPURAM	JEEVANATHAM.S	17-02-2024	Spurious	65499	15782	closed
66	43900	TML-PP CHAVADI	REGUNATHAN K	01-03-2024	Spurious	8562	17000	closed
67	11033	KER-ANGAMALI	BIBIN BABU	12-03-2024	Spurious	19100	19100	closed
68	17852	TML-PANAGUDI	SUNDARARAJ	12-01-2024	Spurious	25005	25000	closed
69	49356	TML-AMBASAMUDRAM	SUDHA M	11-03-2024	Spurious	1692	25000	closed
70	86366	TML-THIRUMANGALAM	S. SELVAPANDI	12-03-2024	Spurious	10150	29600	closed
71	18982	TML-RADHAPURAM	JEYANTHI	11-01-2024	Spurious	943	30000	closed
72	706210070	KAR-HOSAKOTE	SUNITHA K P	02-01-2024	Spurious	6405	39500	closed
73	63630804	APR-PRAKASAM ROAD	J RADHEESHYAM	10-02-2024	Spurious	29111	41100	closed
74	706307566	KAR-HENNUR	RAVI PATEL	05-03-2024	Spurious	3840	48000	closed
75	21215191	TML-TIRUCHENDUR	THIRUMALAI KUMAR S/O SHUNMUGAVEL	24-02-2024	Spurious	50016	50000	closed
76	224106832	TML-VALLIOOR	JEROMIN.R D/O RAJ	09-03-2024	Spurious	17918	50000	closed
77	35983	APR-KAVIRAJ NAGAR	MOHAMMAD SHABANA BEGAM	12-01-2024	Spurious	90731	51032	closed
78	113	TLG-SHANKARPALLY	YELIMELA THARUN YADAV	15-02-2024	Spurious	59997	60000	closed
79	35733	TML-NAGERCOIL	JAMES SUTHAKAR	10-02-2024	Spurious	645	63000	closed
80	43721	TML-THIRUNAGAR	LAKSHMI K	06-02-2024	Spurious	8582	63500	closed

7. Disclosure required as per Annex XXII of Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023.

8.1 CAPITAL

(Rupees In lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
1. CRAR (%)	23.86%	22.81%
2. CRAR- Tier I Capital (%)	16.93%	15.99%
3. CRAR- Tier II Capital (%)	6.93%	6.82%
4. Amount of subordinated debt raised as tier II Capital	22,113.89	20,130.85
5. Amount raised by issue of Perpetual Debt Instrument	-	-

8.2 Investments

(Rupees In lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	992.14	980.53
(b) Outside India,	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	992.14	980.53
(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 excessprovisions during the year	-	-
(iv) Closing balance	-	-

8.3 Derivatives

A. Forward Rate Agreement / Interest Rate Swap

Particulars	As at 31.03.2024	As at 31.03.2023
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the 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 derivativesundertaken during the year (instrument-wise)	-
(ii) Notional principal amount of exchange traded IR derivativesoutstanding as on 31st March 2017 (instrument-wise)	-
(iii) Notional principal amount of exchange traded IR derivativesoutstanding and not "highly effective" (instrument-wise)	-
(iv) Mark-to-market value of exchange traded IR derivativesoutstanding and not "highly effective" (instrument-wise)	-

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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]	-	-
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 SPVssponsored	
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 otherthan 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	

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

Reconstruction

Particulars	2023-24	2022-23
(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	2023-24	2022-23
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain /(loss) over net book value	-	-

D. **Details of non-performing financial assets purchased / sold: NIL**

E. **Details of non-performing financial assets purchased**

Particulars	2023-24	2022-23
(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	-	-

A. **Details of non-performing financial assets sold**

Particulars	2023-24	2022-23
(1)No. of accounts sold	-	-
(2)Aggregate outstanding	-	-
(3) Aggregate consideration received	-	-

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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*	5,566.41	5,466.34	13,292.11	31,304.48	31,931.85	1,10,102.68	1,27,342.83	23,605.27	1,758.99	1,906.62	3,52,277.58
Investments	-	-	-	-	-	-	-	-	-	992.14	992.14
Borrowings	1,415.46	377.86	11,915.31	10,319.03	7,768.36	26,239.28	1,33,293.22	1,12,513.41	49,200.30	6,734.58	3,59,776.81
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

*Includes interest receivabe

A. Details of financing of parent company products

Company does not have a parent company and hence disclosure is not applicable.

B. 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.

C. Unsecured Advances

i) Company does not have unsecured advances on intangible securities such as charge over rights, licenses, authorisations etc. as collateral.

ii) The company has unsecured advances (Micro Finance loan) of Rs. 29,413.11 lakhs given togroup of women against their joint liability.

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8.6 Miscellaneous Disclosures

A. Registration obtained from other financial sector regulators

Financial regulators	Certificate number
Reserve Bank of India	N-16.00175
Securities and exchange Board of India	IN-DP-CDSL-660-2012
Insurance Regulatory and Development Authority of India	CA0122

B. Related Party Transactions

Name and Particulars of the Related Party	Relationship with the Company
MATHEW MUTHOOTTU(MANAGING DIRECTOR)	KEY MANAGERIAL PERSONNEL
NIZZY MATHEW (WHOLE TIME DIRECTOR)	
P E MATHAI(CEO)	
ANN MARY GEORGE, ACA (CFO)	
SMITHA K.S, ACS (CS)	
MALIAKAL JOSE PAUL	INDEPENDENT DIRECTORS
M S RAJAGOPAL	
Manojkumar R	
Royal gold	ENTITY IN WHICH RELATIVE OF KMP / DIRECTOR IS INTERESTED
Tanzanite Marketing Solutions (OPC) Pvt Ltd	
Mini Muthoottu Mathew Memorial Foundation	
ARLIN ANNA PHILIP	RELATIVE OF KEY MANAGERIAL PERSONNEL
ROY M MATHEW	
MINI MUTHOOTTU NIDHI KERALA LTD	ENTITY IN WHICH KMP HAS SIGNIFICANT INFLUENCE
MINI MUTHOOTTUNIRMAN&REAL ESTATE P LTD	
M/S MUTHOOTTU MINI HOTELS P LTD	
MUTHOOTTU FINANCE AND SERVICES PRIVATE LIMITED	
MILANCHE	
Muthoottu Infotech Private Limited	

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List of transactions entered with related parties dnring the cnrrent & previons financial year

(Rupees In lakhs)

Particulars	Key Managerial Personnel (KMP)		Director		Relatives of KMP		Entity in which relative of kmp /Director is interested		Entity in which KMP has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Salary & Allowances	609.56	579.47	-	-						-
Sitting fees		-	11.05	6.45						-
Rent/ Maintenance charges	1.59	4.74	-	-	1.81	5.44			19.23	20.62
Rent Received		-	-	-			3.34	3.59	20.09	21.36
Debenture/subdebt interest	5.16	5.65	-	-	9.00	0.36				-
Debenture redeemed	5	22.7	-	-						-
Debenture holdings*	44.25	49.12	-	-	80	5				-
Subdebt Redeemed	0	4.5	-	-		1.12				-
Loan Against Property outstanding		-	-	-					551.30	596.39
Debenture Investment					21					
Subdebt Investment	6									
Interest on Loan against property		-	-	-					80.67	86.53
Principal repayment of Loan against property		-	-	-					45.09	39.23
Payment towards Purchase of materials		-	-	-					18.21	26.1
Corporate social responsibility							19.34			
Business promotion							18.21			
Purchase for marketing Activities		-	-	-			3.1		85.94	30.86
Commission Received		-	-	-			10.56	8.71		-
Purchase of Gold coin		-	-	-			26.17	3.03		
Travelling Expenses	28.89	18.37	-	-	0.29					
IT Consultancy & Support Services	-		-	-					108.54	22.23

*Purchased from secondary market

Charge created on assets of related party

The following entities have extended collateral security and corporate guarantee for theborrowings 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
3. Roy M Mathew

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C. **Ratings assigned by credit rating agencies and migration of ratings during the year**

Name of the credit rating agency	Type of facility	Rating assigned
India Rating & Research Pvt Ltd	Non-convertible Debentures	IND A-/Stable (latest PR dated 11th December 2023)
India Rating & Research Pvt Ltd	Bank Loan	IND A-/Stable (latest PR dated 11th December 2023)
India Rating & Research Pvt Ltd	Commercial Paper	IND A1 (latest PR dated 11th December 2023)
CARE	Non-convertible Debentures	CARE A-/Stable (latest PR dated 5th July 2024
CARE	Long Term	CARE A-/Stable (latest PR dated 5th July 2024
CARE	Commercial Paper	CARE A1 (latest PR dated 5th July 2024

D. **Remuneration to Non-Executive directors**

(Rupees In lakhs)

Particulars	2023-24	2022-23
Sitting fees	11.05	6.45
Travel expenses	-	-

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

Particulars	Rupees In lakhs
Total Comprehensive Income	7,765.31
Prior Period Items	Nil
Changes in Accounting Policy	-

F. **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.

8.7 Additional Disclosures

A. **Provisions and Contingencies**

(Rupees In lakhs)

Particulars	2023-24	2022-23
Break up of 'Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	-	-
Provisions for depreciation on Investment	-	-
Provision towards NPA	396.64	-42.34
Provision made towards Income tax	3,258.12	1,374.76
Provision for gratuity	142.71	130.64
Provision for Standard Assets	193.93	-274.12

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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)	1,913.99
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	0.54%

(iii) Concentration of Exposures

Particulars	Rupees In lakhs
Total Exposure to twenty largest borrowers/customers	1,913.99
Percentage of Exposure to twenty largest borrowers/customers to Total exposure of the NBFC borrowers/customers	0.54%

(iv) Concentration of NPA

Particulars	Rupees In lakhs
Total Exposure to top four NPA Accounts	240.85

D. Movement of NPAs

(Rupees In lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Net NPAs to Net Advances (%)	0.72%	0.37%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	1,399.81	1,526.35
(b) Additions during the year	2,021.22	363.67
(c)Reductions during the year	306.71	490.21
(iii) Movement of Net NPAs		
(a) Opening balance	1,214.70	1,298.88
(b) Additions during the year	1,700.72	319.55
(c)Reductions during the year	382.86	403.73
(d) Closing balance	2,532.56	1,214.70
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	185.12	227.47
(b) Provisions made during the year	320.49	44.12
(c)Write-off / write-back of excess provisions	(76.15)	86.47
(d) Closing balance	581.76	185.12
(d) Closing balance	3,114.32	1,399.81

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E. **Off-Balance Sheet SPVs sponsored**

Company has not sponsored any off Balance Sheet SPVs

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 asper 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	3,30,947.53	1,795.35	3,29,152.18	1,324.49	470.86
	Stage 2	18,215.73	92.84	18,122.89	72.66	20.18
Subtotal		3,49,163.26	1,888.19	3,47,275.07	1,397.15	491.04
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,758.99	173.90	1,585.09	283.33	-109.43
Doubtful - up to 1 year	Stage 3	289.15	65.11	224.05	225.11	-160.00
1 to 3 years	Stage 3	162.13	24.13	137.99	93.47	-69.33
More than 3 years	Stage 3	742.85	157.42	585.43	427.48	-270.06
Subtotal for doubtful		2,953.11	420.56	2,532.55	1,029.39	-608.83
Loss	Stage 3	161.21	161.21	-	161.21	-
Subtotal for NPA		3,114.32	581.77	2,532.55	1,190.59	-608.83
Total	Stage 1	3,30,947.53	1,795.35	3,29,152.18	1,324.49	470.86
	Stage 2	18,215.73	92.84	18,122.89	72.66	20.18
	Stage 3	3,114.32	581.77	2,532.55	1,190.59	-608.83
	Total	3,52,277.58	2,469.96	3,49,807.62	2,587.74	-117.78

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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	20	1,82,712.77	NA	50.79%

*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
1,33,450.40	37.09%

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	1,05,448.28	29.3%
2	Unsecured Public Issue NCD	15,697.68	4.4%
3	Secured, Privately Placed NCD	15,544.42	4.3%
4	Subordinated debt	30,664.31	8.5%
5	Term Loan	1,01,074.67	28.1%
6	Working Capital Loan	91,092.89	25.3%
	Total	**3,59,522.25**	**99.93%**

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.

* Amount includes interest accrued on the same

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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	0.53%
6	Other short-term liabilities as a % total liabilities	0.63%

10.6 Institutional set-up for liquidity risk management

The Company has constituted Risk Management Committee of the Board 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 risksand 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

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a) Format B: For the year ended March 31, 2024 (₹ in lakhs)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31 March,2023	Of (A), aggregate debt that slipped into NPA during the Financial Year	Of (A), amount written off during the Financial Year	Of (A), amount paid by the borrowers during the Financial Year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the year 31 March,2024
	(A)	(B)	(C)	(D)	(E) *
Personal loans	57.21	3.43	-	53.78	-
Corporate loans	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	57.21	3.43	-	53.78	-

*represents the closing balance of loan accounts as on March 31, 2024

12. Disclosure in Financial Statements in pursuant to the circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022:

SECTION I

A. EXPOSURES

1. Exposure to Real Estate Sector **(Rupees In lakhs)**

Category	As at 31.03.2024	As at 31.03.2023
I) Direct Exposure		
(a) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borroweror that is rented	91.93	91.93
(b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, landacquisition, development and construction, etc.). Exposure shall also include non-fund based limits	551.30	596.39
(c) Investments in Mortgage Backed Securities(MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
II) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.		
Total Exposure to Real Estate Sector	643.23	688.32

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2. Exposure to Capital Market

(Rupees In lakhs)

Category	As at 31.03.2024	As at 31.03.2023
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	992.14	980.53
(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 unitsof 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 seeurity of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primarysecurity 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 andmarket makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter'scontribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expectedequity flows / issues;	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(xi) Financing to stockbrokers for margin trading		
(x) All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III		
Total Exposure to Capital Market	992.14	980.53

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3. Sectoral exposure

(Rupees In lakhs)

Sector	As at 31st March 2024			As at 31st March 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of NPAs to Total Advances in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure	Gross NPAs	Percentage of NPAs to Total Advances in that sector
Agriculture & allied activities			-			
MSME			-			
Corporate borrowers			-			
Services			-			
Personal Loan						
(i) Gold Loan	3,22,221 .23	2,368.56	0.74%	3,04,876.78	1,034.86	0.34%
(ii) Microfinance Loans	29,413.11	653.83	2.22%	20,713.17	273.02	1.32%
(iii) Loan against property	643.23	91.93	14.29%	688.32	91.93	13.36%
Auto loans			-			
Other personal loans						

*In the disclosures as above, if within a sector, exposure to a specific sub-sector/industry is more than 10 per cent of Tier I Capital of a NBFC, the same shall be disclosed separately within that sector. Further, within a sector, if exposure to specific sub-sector/industry is less than 10 per cent of Tier I Capital, such exposures shall be clubbed and disclosed as "Others" within that sector.

1. Intra Group Exposures

Top 20 Intra group exposure as on 31.03.2024 are:

(Rupees In lakhs)

Sl.No	Customer	Exposure o/s as on 31.03.2024 (in crores)	% of exposure on total exposure of the NBFC
	Muthoottu Mini Hotels Limited	551.30	0.16%
	Total	**551.30**	

B. RELATED PARTY TRANSACTIONS

(Rupees In Lakhs)

Particulars	Key Managerial Personnel (KMP)/Directors		Relatives of Director/KMP		Entity in which KMP/relatives of KMP has significant influence	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Maximum Outstanding During the year						
Borrowings						
A. Debentures outstanding						
Mathew Muthoottu	9.00	19.20				
Nizzy Mathew	34.25	41.75				
Roy M Mathew			21.00			
Arlin Anna Philip			54.00			
B. Subordinate Debt outstanding						
Mathew Muthoottu		4.50				
Nizzy Mathew	6.00	-				
Roy M Mathew			5.00	6.12		
Deposits						
Advances						
A. Loan Against property					596.39	635.62
Investments						
Outstanding During the year						
Borrowings						
A. Debentures outstanding						
Mathew Muthoottu	9.00	10.00				
Nizzy Mathew	29.25	39.11				
Roy M Mathew			21.00			
Arlin Anna Philip			54.00			
B. Subordinate Debt outstanding						
Mathew Muthoottu						
Nizzy Mathew	6.00					
Roy M Mathew			5.00	5.00		
Deposits						
Advances						
A. Loan Against property					551.3	596.39

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Investments						
Interest Paid						
A. Interest on Debenture/Subdebt	5.16	5.65	9.00	0.36		
Interest Received						
A. Loan Against property					80.67	86.53
Others						
Salary & Allowances	609.56	579.47	-	-	-	-

*Specify item if total for the item is more than 5 per cent of total related party transactions. Related parties would include trusts and other bodies in which the NBFC can directly or indirectly (through its related parties) exert control or significant influence

C. DISCLOSURE OF COMPLAINTS

1. **Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman**

Sr.No		Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers			
1		Number of complaints pending at beginning of the year	0	0
2		Number of complaints received during the year	8	6
3		Number of complaints disposed during the year	8	6
	3.1	Of which, number of complaints rejected by the NBFC	0	0
4		Number of complaints pending at the end of the year	0	0
	Maintainable complaints received by the NBFC from Office of Ombudsman			
5		Number of maintainable complaints received by the NBFC from Office of Ombudsman	8	6
	5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	8	6
	5.2	Of 5, number of complaints resolved through conciliation /mediation / advisories issued by Office of Ombudsman	0	0
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6*		Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombuudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

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2. **Top 5 ground of complaints received by the NBFC from Customers:**

Grounds of complaints (ie, complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, Number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Loans & Advances	0	7	250.0%	0	0
Facilities to customers visiting the office / adherence to prescribed working hours	0	0	-100.0%	0	0
Others	0	I	-50.0%	0	0
Ground - 4	0	0	0.0%	0	0
Previous Year					
Loans & Advances	0	2			
Facilities to customers visiting the office / adherence to prescribed working hours	0	2			
Others	0	2			
Ground - 4					

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SECTION II

A. CORPORATE GOVERNANCE

1) Composition of the Board

Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mathew Muthoottu	07/03/2008	MANAGING DIRECTOR	01786534	16	16	9		0	0	1,48,59,912
2	Nizzy Mathew	18/03/1998	CHAIRMAN & WHOLE TIME DIRECTOR	01680739	16	16	8		0	0	33,54,446
3	MJ Paul	18/11/2019	INDEPENDENT DIRECTOR	07218120	16	16	1	0	3,40,000	0	0
4	MS Rajagopal	08/10/2018	INDEPENDENT DIRECTOR	08114376	16	16	0	0	4,45,000	0	0
5	Manoj Kumar R	01/10/2021	INDEPENDENT DIRECTOR	09357326	16	16	0	0	2,00,000	0	0

Details of change in composition of the Board during the current financialyear (2023-2024).

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date
			NIL	

Details of change in composition of the Board during the previous financialyear (2022-2023).

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date
1.	Manoj Kumar R DIN: 09357326	Non-Executive Director	Regularization of appointment from additional Director to Non -executive Director	Appointment at AGM held on 30-09-2022 and effective from the same date
2.	Manoj Kumar R DIN: 09357326	Independent Director	Appointment as Independent Director for the period commencing from 01-04-2023 to 30-09-2026.	Appointment at the EGM held on 24-03-2023 effective from 01-04-2023

Relationship between Directors

Except as stated below, none of our Directors are related to each other:

Sr. No.	Name of the Director	Designation	Relationship with other Directors
1.	Nizzy Mathew	Chairman and Wholetime Director	Mother of Mathew Muthoottu
2.	Mathew Muthoottu	Managing Director	Son of Nizzy Mathew

2. Committees of the Board and their composition

1. AUDIT COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	MJ Paul	18-11-2019	Chairman (Independent Director)	4	4	0
2.	MS Rajagopal	09-10-2020	Member (Independent Director)	4	4	0
3	Mathew Muthoottu	24-04-2009	Member (Managing Director)	4	4	1,48,59,912

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2. NRC COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	MJ Paul	18-11-2019	Chairman (Independent Director)	3	3	0
2	**MS Rajagopal**	**08-10-2018**	**Member (Independent Director)**	**3**	**3**	**0**
3	Manoj Kumar R	01-10-2021	Member (Independent Director)	3	3	0

3. DEBENTURE COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	MS Rajagopal	09-10-2020	Chairman (Independent Director)	3	3	0
2.	Mathew Muthoottu	10-12-2013	Member (Managing Director)	3	3	1,48,59,912
3	Nizzy Mathew	10-12-2013	Member (Whole time Director)	3	3	33,54,446

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4. STAKEHOLDERS RELATIONSHIP COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	MS Rajagopal	09-10-2020	Chairman (Independent Director)	4	4	0
2.	Mathew Muthoottu	10-12-2013	Member (Managing Director)	4	4	1,48,59,912
3	Nizzy Mathew	10-12-2013	Member (Whole time Director)	4	4	33,54,446

5. RISK MANAGEMENT COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	MS Rajagopal	09-10-2020	Chairman (Independent Director)	4	4	0
2.	Mathew Muthoottu	22-04-2013	Member (Managing Director)	4	4	1,48,59,912
3	Nizzy Mathew	22-04-2013	Member (Whole time Director)	4	4	33,54,446

6. INVESTMENTS AND BORROWINGS COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	MS Rajagopal	1-10-2021	Chairman (Independent Director)	12	12	0
2	Mathew Muthoottu	1-10-2021	Member (Managing Director)	12	12	1,48,59,912
3	Nizzy Mathew	1-10-2021	Member (Whole time Director)	12	12	33,54,446

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Rajagopal M.S.	09-10-2020	Chairman Independent Director	4	4	0
2	Mathew Muthoottu	10-04-2014	Member Managing Director	4	4	1,48,59,912
3	Nizzy Mathew	10-04-2014	Member Whole time Director	4	4	33,54,446

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3. General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings.- FY 2023-24

	Type of Meeting (Annual/Extra-Ordinary)	Date and Place	Special Resolutions Passed
1	Annual General Meeting	18th of September 2023 at the Registered Office of the Company at 65/623 K Muthoottu Royal Towers, Kaloor, Kochi, Ernakulam, Kerala-682017	3.Approval of related party transactions under section 188 of the companies act 2013-Corporate Guarantee/Collateral Security from Muthoottu Mini Hotels Private Limited. 4. Approval of related party transactions under section 188 of the companies act 2013-Corporate Guarantee/Collateral Security from Muthoottu Mini Theatres Private Limited.
2	Extra-Ordinary General Meeting	1. 28th March, 2024 at 10.00 AM at the Registered Office of the Company at 65/623K, Muthoottu Royal Towers, Kaloor, Kochi, Ernakulam-682017	1. Private placement of Equity Shares

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

NIL

5. Details of penalties and strictures

NIL

B. DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING

The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2024, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

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SECTION III

As per the SBR framework issued by Reserve Bank, Section III to the above circular applicable only for the NBFC classified as Upper Layer. The company is not an upper layer company hence the same shall be not applicable.

13. Disclosure on Loan against Gold vide RBI notification DNBS.CC.PD.No.265/03.10.01 /2011-12 dated March 21, 2012

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Asset under Management (on books)	3,52,277.57	3,26,278.27
Total Loan against Gold	3,22,221.23	3,04,876.78
Percentage of Gold Loan on Total Assets (on book)	91.47%	93.44%

Ramdas & Venugopal
CHARTERED ACCOUNTANTS
No. 7A, Green Park, Shornur Road,
Thiruvambady P. O., Thrissur - 680 022

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, 2023, 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, 2023, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit 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

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

Partners :
CA. M. Ramdas, FCA
CA. Shajan. T. T., FCA, DISA (ICAI)
CA. Silpa Ramdas, FCA, DISA, DIRM (ICAI)

Head Office : Thrissur
Branch Offices :
1. Ernakulam, 2. Guruvayur
Phone : 0487-2321246, 2331246
E-mail : randvtcr@yahoo.co.in

Sl.No	Key Audit Matter	Auditor Response
1	Expected credit loss on loans and advance	
	The estimation of ECL on financial instruments involves significant judgments and estimates. As part of our risk assessment, we determined that the allowance for ECL on Loans Assets has a high degree of estimation of uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: Data Inputs: The application of ECL model requires several data inputs Model Estimations: Inherently judgment models used for the estimation of probabilities of Default (PD), Loss given default (LGD) and Exposure at Default (EAD). The PD and LGD are the key drivers of the estimation of ECL. Qualitative and quantitative factors used in staging the loan assets measured at amortized cost. IndAS 109 requires the entity to measure the ECL on an unbiased forward looking basis reflecting a range of future economic conditions. The management measure the ECL considering the historical trends as well as considering macro-economic emerging trends.	We performed the following audit procedures: Testing the design and effectiveness of internal controls over the following: Key controls over the completeness and accuracy of key inputs, data and assumptions into the Ind AS 109 impairment models. Key controls over the application of the staging criteria consistent with the definition applied in accordance with the policy approved by the board of directors including the appropriateness of the qualitative factors Management control over authorization and calculation of post model adjustments and management overlays to the output of the ECL model Also, for a sample of ECL allowance on loan assets tested in respect of Key Inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data, Reasonableness and weights. We tested the mathematical accuracy of ECL calculations using the same inputs used by the company. Testing management's controls on compliance with disclosures to confirm the compliance with the relevant provisions of Ind AS 109 and the RBI directions. Evaluating the changes and updations during the year whether those changes and updates are appropriate or not.

	Information Technology Systems and controls	
	The company's Key financial accounting and reporting process are highly dependent on the automated controls over the companies IT system, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system changeover of key financial accounting and reporting systems as a key audit matter.	We performed the following audit procedures: Tested IT key controls over financial accounting and reporting system including access mechanism and processing of reports. Obtained management evaluation of access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample expectations. Evaluate the design and operating effectiveness of automated controls critical to financial accounting and reporting on random basis Considering the reports issued by the professional consultants with respect to IS Audit and IT Infrastructure.

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

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

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 detecta 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.

RAMDAS VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

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

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

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, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act.

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 ourinformation 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.

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

iii. According to the information provided, an amount of Rs 18,73,052.00 being unclaimed matured debentures has been transferred to Investor Education & Protection Fund on 31.03.2023. 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 31.03.2023.

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.

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

For RAMDAS & VENUGOPAL
Chartered Accountants
Firm Registration No: 010669S

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

CA SILPA RAMDAS, FCA, DISA, DIRM(ICAI)
[Partner]
Membership No.211972
UDIN:23211972BGYRBJ5648

Place: Thrissur
Date: 17th May, 2023

Ramdas & Venugopal
CHARTERED ACCOUNTANTS
No. 7A, Green Park, Shornur Road,
Thiruvambady P. O., Thrissur - 680 022

The Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of the Our Report of even date to the members of Muthoottu Mini Financiers Limited on the accounts of the company for the year ended 31st March, 2023.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

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

(B) The Company has maintained 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) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company;

d) The company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets or both during the year;

e) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;

ii) a) The Company is a Non-Banking Financial Company engaged in the business of providing loans and does not hold any type of physical inventories. Therefore, the provisions of paragraph 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

b) During the year, the company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions on the basis of security of current assets including receivables. The statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

iii)

a) The Company is a Non- Banking Financial Company engaged in the principal business of providing loans. Therefore, the provisions of paragraph 3(iii)(a) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

b) The terms and conditions of all the loans and advances granted by the company during the year 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 1705 loans, outstanding amounting to Rs. 405.67 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.1399.81 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.

₹ in lakhs

Type of Loan	No of Loans	Principal Overdue	Remarks
Gold Loan	1374	1,034.86	Since it's a NBFC their principal business is to give loans. The loans for which overdue for more than 90 days are treated as irregular and these cases are classified as NPA as per RBI IRACP norms. The income recognition of the above has been done as per RBI IRACP norms.
Micro finance	1660	273.02	
Loan against property	1	91.93	
TOTAL	3035	1399.81	

e) The Company is a Non-Banking Financial Company engaged in the principal business of providing loans. Therefore, the provisions of paragraph 3(iii) (e) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

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 31.03.2023 is Rs. 2,94,099.41 lakhs which constitute 90% 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) The Company has not accepted any Deposits or amounts which are deemed to be deposits from the public. Therefore the Directives issued by the Reserve Bank Of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable to the Company. The Company has not received any order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard;

vi) Being a Non-Banking Finance Company, maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013;

vii) a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities wherever applicable to it. 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) There are no transactions which were not recorded in the books of account 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 9 fraud case amounting to Rs.58.61 lakhs reported in the company during the year, out of which 8 cases were in respect of spurious gold pledged with the company in 8 branches amounting to Rs.29.18 lakhs on which 21.91 Lakhs recovered during the year and 100% provision has been made for the balance outstanding. During the year company reported a fraud involving pledge of stolen/ absconded ornaments in collusion with branch head of the company and later on the ornaments were seized by the police department which created a loss to the company amounting to Rs. 29.43 lakhs out of which Rs. 0.75 lakhs was written off & Rs. 28.68 lakhs recovered during the year

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

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 us on a random basis, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

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.

(d) There are no CICs as part of the Group to which the company belongs

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) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable / paragraph 3(xviii) of the Order is not applicable

xix) 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, our 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) In respect of other than ongoing projects, the company transferred to the Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to Section 135(5) of said Act;

b) In respect of ongoing projects, the company does not have any unspent amount under sub-section (5) of section 135 of the Companies Act, 2013, to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;

xxi) Since this is a standalone financial statement Paragraph 3 (xxi) is not applicable.

For RAMDAS & VENUGOPAL
Chartered Accountants
Firm Registration No: 010669S

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

CA SILPA RAMDAS FCA, DISA, DIRM(ICAI)
[Partner]
Membership No.211972
UDIN:23211972BGYRBJ5648

Place: Thrissur
Date: 17th May, 2023

Ramdas & Venugopal
CHARTERED ACCOUNTANTS
No. 7A, Green Park, Shornur Road,
Thiruvambady P. O., Thrissur - 680 022

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, 2023, 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 and issued our audit opinion dated 17th May 2023 thereon. These financial statements are the responsibility of the Company's management. Our responsibility was to express an opinion on these financial statements based on our audit. Our audit was conducted in the manner specified in the audit report. As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 2016, and according to the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder 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, 2023

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.

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

Partners :
CA. M. Ramdas, FCA
CA. Shajan. T. T., FCA, DISA (ICAI)
CA. Silpa Ramdas, FCA, DISA, DIRM (ICAI)

Head Office : Thrissur
Branch Offices :
1. Ernakulam, 2. Guruvayur
Phone : 0487-2321246, 2331246
E-mail : randvter@yahoo.co.in

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, 2023

ix. We have no responsibility to update this report for events and circumstances occurring after the date of our audit opinion mentioned in paragraph 1.

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
Firm Registration No: 010669S

CA SILPA RAMDAS, FCA, DISA, DIRM(ICAI)
[Partner]
Membership No.211972
UDIN:23211972BGYRBJ5648

Place: Thrissur
Date: 17th May, 2023

Ramdas & Venugopal
CHARTERED ACCOUNTANTS
No. 7A, Green Park, Shornur Road,
Thiruvambady P. O., Thrissur - 680 022

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 2023.

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(i) 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, 2023 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, 2023, 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

Partners :
CA. M. Ramdas, FCA
CA. Shajan. T. T., FCA, DISA (ICAI)
CA. Silpa Ramdas, FCA, DISA, DIRM (ICAI)

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

Head Office : Thrissur
Branch Offices :
1. Ernakulam, 2. Guruvayur
Phone : 0487-2321246, 2331246
E-mail : randvtcr@yahoo.co.in

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

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

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.

For RAMDAS & VENUGOPAL
Chartered Accountants
Firm Registration No: 010669S

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

CA SILPA RAMDAS, FCA, DISA, DIRM(ICAI)
[Partner]
Membership No.211972
UDIN:23211972BGYRBJ5648

Place: Thrissur
Date: 17th May, 2023

MUTHOOTTU MINI FINANCIERS LIMITED
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
BALANCE SHEET

(Rupees in Lakhs)

Particulars	Note No.	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
I. ASSETS			
1 Financial assets			
a) Cash and cash equivalents	1.1	14,913.36	35,532.73
b) Bank Balance other than (a) above	1.2	20,589.07	15,124.54
c) Receivables			
(I) Trade receivables			
(II) Other receivables			
d) Loans	2	3,24,398.88	2,47,664.61
e) Investments	3	980.53	904.58
f) Other financial assets	4	2,386.03	2,167.49
2 Non-financial Assets			
a) Inventories			
b) Current tax assets (Net)		1,789.42	2,340.28
c) Deferred tax assets (Net)		220.02	294.03
d) Property, Plant and Equipment	5	19,389.58	18,428.37
e) Other intangible assets	6	76.30	10.24
f) Other non-financial assets	7	1,069.29	613.39
Total Assets		**3,85,812.48**	**3,23,080.26**
II. LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Debt Securities	8	1,43,772.51	1,61,162.47
b) Borrowings (other than debt securities)	9	1,52,665.35	77,321.61
c) Subordinated liabilities	10	24,300.29	26,587.21
d) Other financial liabilities	11	1,739.64	1,472.49
2 Non-financial Liabilities			
a) Provisions	12	509.34	470.70
b) Other non-financial liabilities	13	306.24	295.62
3 EQUITY			
a) Equity share capital	14	24,952.54	24,952.54
b) Other equity	15	37,566.57	30,817.62
Total Liabilities and Equity		**3,85,812.48**	**3,23,080.26**

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

P.E.Mathai
Chief Executive Officer

Ann Mary George, ACA
Chief Financial Officer

K S Smitha, ACS
Company Secretary

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

CA Silpa Ramdas, FCA, DISA, DIRM (ICAI)
Partner (M.No.211972)
UDIN : 23211972BGYRBJ5648

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

MUTHOOTTU MINI FINANCIERS LTD.

Place: Kochi
Date: 17th May, 2023

MUTHOOTTU MINI FINANCIERS LIMITED
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
STATEMENT OF PROFIT AND LOSS

(Rupees in Lakhs)

	Particulars	Note No.	Period ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
	Revenue from operations			
(i)	Interest income	16	53,352.64	42,262.94
(ii)	Other income on loans	17	769.65	423.35
(iii)	Dividend income		-	-
(iv)	Rental income		119.04	117.29
(v)	Fees and Commission income		109.71	63.09
(vi)	Net gain on derecognition of financial instruments under amortised cost category		-	-
(vii)	Net gain on fair value changes	18	4.16	-
(viii)	Sales of services	19	16.25	28.53
(I)	**Total Revenue from operations**		**54,371.45**	**42,895.20**
(II)	Other Income	20	72.51	129.39
(III)	**Total Income (I + II)**		**54,443.96**	**43,024.59**
	Expenses			
(i)	Finance costs	21	28,349.16	22,365.39
(ii)	Net loss on fair value changes	18		0.13
(iii)	Impairment on financial instruments	22	(228.67)	726.85
(iv)	Employee benefits expenses	23	10,453.35	8,454.11
(v)	Depreciation, amortization and impairment	24	647.83	510.30
(vi)	Other expenses	25	7,045.07	5,025.34
(IV)	**Total Expenses (IV)**		**46,266.74**	**37,082.12**
(V)	**Profit before tax (III- IV)**		**8,177.22**	**5,942.47**
(VI)				
	Tax Expense:			
	(1) Current tax		1,374.76	1,156.43
	(2) Earlier years adjustments			
	(3) Deferred tax		74.01	156.64
(VII)	**Profit for the year (V- VI)**		**6,728.45**	**4,629.40**
A)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of defined benefit plans		20.50	(271.72)
	- 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
	Subtotal (A)		**20.50**	**(192.59)**
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		-	-
	Subtotal (B)		-	-
(VIII)	**Other Comprehensive Income (A + B) (VIII)**		**20.50**	**(192.59)**
(IX)	**Total Comprehensive Income for the year (VII+VIII)**		**6,748.95**	**4,436.81**
	Earnings per equity share			
	(Face value of Rs. 100/- each)			
	Basic (Rs.)	26	26.96	18.55
	Diluted (Rs.)	26	26.96	18.55

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

For Ramdas & Venugopal
Chartered Accountants (FRN 010669S)

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

CA Silpa Ramdas, FCA, DISA, DIRM (ICAI)
Partner (M.No.211972)
UDIN : 23211972BGYRBJ5648

P.E.Mathai
Chief Executive Officer

Ann Mary George, ACA
Chief Financial Officer

K S Smitha, ACS
Company Secretary

Place: Kochi
Date: 17th May, 2023

CASH FLOW STATEMENT
CIN: U65910KL1998PLC012154
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
CASH FLOW STATEMENT

(Rupees in Lakhs)

Particulars	Period ended March 31, 2023 (Audited)		For the year Ended March, 2022 (Audited)	
A. Cash Flow from Operating Activities				
Profit before tax		8,177.22		5,942.47
Adjustments for :				
Impairment on financial instruments	-228.67		726.85	
Net (gain)/loss on fair value changes	-4.16		0.13	
Net (Profit) / Loss on Sale of assets	-8.81		1.27	
Finance Costs	28,349.16		22,365.39	
Depreciation, amortization and impairment	647.83		510.30	
Income from Non-Operating Business				
- Rental Income	-119.04		-117.29	
- Dividend Income	-	28,636.31		23,486.65
Operating Profit / (Loss) before working capital Adjustments		36,813.53	-	29,429.12
Adjustments for :				
Loans	-76,498.62		-50,490.28	
Investments	-71.80		-900.00	
Other financial assets	-211.56		25.31	
Other non financial assets	-455.90		-232.57	
Bank Balance other than "Cash and cash equivalents"	-5,464.53		-7,265.27	
Provisions	18.14		42.33	
Other financial liabilities	267.15		-204.35	
Other non financial liabilities	10.62	-82,406.50	-34.13	-59,058.96
Cash Generated from operations		-45,592.97		-29,629.84
Income Tax paid		-823.90		-1,676.17
Finance cost paid		-28,079.84		-22,533.53
Net Cash Flow from Operating Activity		**-74,496.71**		**-53,839.54**
B. Cash Flow from Investment Activities				
Dividend Income		-		-
Rental Income		119.04		117.29
Sale of Fixed Assets		38.91		172.15
Purchase of Fixed Assets		-1,678.15		-353.84
Net Cash Flow from Investment Activity		**-1,520.20**		**-64.40**
C. Cash Flow from Financing Activity				
Net increase/(Decrease) in Borrowings(other than debt securities)		75,343.74		40,339.15
Net increase/(Decrease) in Subdebt		-2,286.92		-7,214.97
Net increase/(Decrease) in Debt Securities		-17,659.28		33,263.79
Net Cash Flow from Financing Activity		**55,397.54**		**66,387.97**
Net Increase/(Decrease)in Cash & Cash Equivalents(A+B+C)		-20,619.37		12,484.03
Opening Balance of Cash & Cash Equivalents		35,532.73		23,048.70
Closing Balance of Cash & Cash Equivalents		**14,913.36**		**35,532.73**
Components of Cash and Cash Equivalents				
Current Account with Banks		3,110.24		10,721.33
Deposit with Banks		10,899.64		22,976.57
Cash in Hand		903.48		1,834.83
		14,913.36		35,532.73

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

P.E.Mathai
Chief Executive Officer

Ann Mary George, ACA
Chief Financial Officer

Place: Kochi
Date: 17th May, 2023

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

CA Silpa Ramdas, FCA, DISA, DIRM (ICAI)
Partner (M.No.211972)
UDIN : 23211972BGYRBJ5648

K S Smitha, ACS
Company Secretary

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

MUTHOOTTU MINI FINANCIERS LTD.

MUTHOOTTU MINI FINANCIERS LIMITED
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, 2023 (Audited)	As at March 31, 2022 (Audited)
As at the beginning of the period	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	-	-
Balance at the end of current reporting period	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	Impairment Reserve	Debenture Redemption Reserve	Revaluation Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income (Remeasurement of defined benefit plans)	
Balance as at March 31, 2021	**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) Debenture Redemption Reserve			-	-		-			-
Balance as at March 31, 2022	**6,300.56**	**7,844.15**	-	-	**350.00**	**16,537.16**	-	**-214.25**	**30,817.62**
Transfer from Retained earnings	1,349.79		167.95						1,517.74
Securities premium on share options exercised during the year									-
Amount transferred									-
Profit for the period						6,728.45		20.50	6,748.95
Transfer to Special Reserve Fund						-1,349.79			-1,349.79
Transfer from/(to) Debenture Redemption Reserve									-
Transfer to Impairment Reserve						-167.95			-
Balance as at March 31, 2023	**7,650.35**	**7,844.15**	**167.95**	-	**350.00**	**21,747.87**	-	**-193.75**	**37,566.57**

See accompanying notes to the financial statements

For Muthoottu Mini Financiers Limited

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

P.E.Mathai
Chief Executive Officer

Ann Mary George, ACA
Chief Financial Officer

K/S Smitha, ACS
Company Secretary

Place: Kochi
Date: 17th May, 2023

MUTHOOTTU MINI FINANCIERS LTD.

As per our report of even date attached

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

CA Silpa Ramdas, FCA, DISA, DIRM (ICAI)
Partner (M.No.211972)
UDIN : 23211972BGVRBJ5648

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

Notes to financial statements

Note 1.1: Cash and cash equivalents

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
Cash on hand	903.48	1,834.83
Balances with Banks		
- in current accounts	3,110.24	10,721.33
- in fixed deposit (maturing within a period of three months)	10,899.64	22,976.57
Total	**14,913.36**	**35,532.73**

Note 1.2: Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
Fixed deposits with bank (maturing after period of three months)	20,589.07	15,124.54
Total	**20,589.07**	**15,124.54**

Note 1.3 : Additional details of Fixed Deposits

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
Fixed deposits given as security for borrowings	29,772.00	13,823.56
Fixed deposits given as security for guarantees	1,716.71	1,626.60
Fixed deposits held for redemption of debentures*	-	-
Free held fixed deposits	-	22,650.95
Total	**31,488.71**	**38,101.11**

*The fixed deposit of Rs.900 Lakhs, Rs. 2,098.07 lakhs and 1,133.22 lakhs has been deposited on 11/04/2023, 28/04/2023 and 29/04/2023 respectively

MUTHOOTTU MINI FINANCIERS LTD.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

Note 2: Loans (Rupees in Lakhs)

Particulars	As at March 31, 2023 (Audited)					
	Amortised Cost	At Fair value				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	3,26,278.27				-	3,26,278.27
iii) Leasing					-	-
(v) Factoring					-	-
v) Others					-	-
Total (A) - Gross	**3,26,278.27**					**3,26,278.27**
Less: Impairment loss allowance	1,879.39				-	1,879.39
Total (A) - Net	**3,24,398.88**	-	-	-	-	**3,24,398.88**
(B)						
I) Secured by tangible assets						
Gold Loan	3,04,876.78					3,04,876.78
Loan Against Property	688.32					688.32
Total (I) - Gross	**3,05,565.10**	-	-	-	-	**3,05,565.10**
Less: Impairment loss allowance	1,415.00					1,415.00
Total (I) - Net	**3,04,150.10**	-	-	-	-	**3,04,150.10**
II) Covered by Bank / Government Guarantees	-	-	-	-	-	-
Total (II) - Net	-	-	-	-	-	-
III) Unsecured						
Microfinance	20,713.17					20,713.17
Total (III) - Gross	**20,713.17**	-	-	-	-	**20,713.17**
Less: Impairment loss allowance	464.39					464.39
Total (III) - Net	**20,248.78**	-	-	-	-	**20,248.78**
Total (B) (I+II+III) - Net	**3,24,398.88**					**3,24,398.88**
(C) (I) Loans in India						
i) Public Sector						-
ii) Others	3,26,278.27					3,26,278.27
(C) (II) Loans outside India	-					
Total (C) - Gross	**3,26,278.27**	-	-	-	-	**3,26,278.27**
Less: Impairment loss allowance	1,879.39					1,879.39
Total (C)- Net	**3,24,398.88**	-	-	-	-	**3,24,398.88**

MUTHOOTTU MINI FINANCIERS LTD.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

(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	
(A)						-
i) Loans repayable on demand					-	-
ii) Term loans	2,49,860.46				-	2,49,860.46
iii) Leasing					-	-
iv) Factoring					-	-
v) Others					-	-
Total (A) - Gross	**2,49,860.46**					**2,49,860.46**
Less: Impairment loss allowance	2,195.85				-	2,195.85
Total (A) - Net	**2,47,664.61**	-	-	-	-	**2,47,664.61**
(B)						
I) Secured by tangible assets						
Gold Loan	2,42,697.48					2,42,697.48
Loan Against Property	727.55					727.55
Total (I) - Gross	**2,43,425.03**	-	-	-	-	**2,43,425.03**
Less: Impairment loss allowance	1,619.29					1,619.29
Total (I) - Net	**2,41,805.74**	-	-	-	-	**2,41,805.74**
II) Covered by Bank / III) Unsecured						
Microfinance	6,435.43					6,435.43
Total (III) - Gross	**6,435.43**	-	-	-	-	**6,435.43**
Less: Impairment loss allowance	576.56					576.56
Total (III) - Net	**5,858.87**	-	-	-	-	**5,858.87**
Total (B) (I+II+III) - Net	**2,47,664.61**					**2,47,664.61**
(C) (I) Loans in India						
i) Public Sector						-
ii) Others	2,49,860.46					2,49,860.46
(C) (II) Loans outside India	-					
Total (C) - Gross	**2,49,860.46**	-	-	-	-	**2,49,860.46**
Less: Impairment loss allowance	2,195.85					2,195.85
Total (C)- Net	**2,47,664.61**	-	-	-	-	**2,47,664.61**

MUTHOOTTU MINI FINANCIERS LTD.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

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).

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 ECL provision computed as per the policy laid down under significant accounting policies is Lower than the provision as per IRACP norms, the company has been appropriated the difference from the net profit after tax to a separate 'impairment reserve' .

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, 2023				
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	2,38,296.72	10,037.39	1,526.35	2,49,860.46
Assets/increase/(Decrease) in	9,55,537.33	282.61	-65.65	9,55,754.29
Assets repaid	-8,70,362.00	-8,552.76	-419.23	-8,79,333.99
Transfer to Stage 1	-7,021.84			-7,021.84
Transfer to Stage 2		6,658.34		6,658.34
Transfer to Stage 3			363.50	363.50
Write off	9.42	-6.75	-5.16	-2.49
Closing carrying amount	3,16,459.63	8,418.83	1,399.81	3,26,278.27

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
Assets/increase/(Decrease) in	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

Reconciliation of ECL Balance

(Rupees in Lakhs)

Year ended March 31, 2023				
ECL	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,493.15	60.61	227.47	1,781.23
New Assets/increase in Interest accured	5,823.38	1.55	-	5,824.93
Assets repaid	-5,150.43	-55.80	-58.06	-5,264.29
Transfer from Stage 1	-46.04			-46.04
Transfer to Stage 2		43.84		43.84
Transfer to Stage 3			46.84	46.84
Write off	-0.06	-0.06	-18.76	-18.88
Impact of revision of ECL rates	-482.72	-9.17	-12.37	-504.26
Impact of MTM Loss	-	-	-	-
Additional Provision	5.04	10.98	-	16.02
Closing carrying amount	1,642.32	51.95	185.12	1,879.39

MUTHOOT MINI FINANCIERS LTD.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

	Year ended March 31, 2022			
ECL	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,117.35	185.82	224.00	1,527.17
New Assets/Increase in interest	4,028.92	-8.05	-	4,020.87
Assets repaid	-3,596.59	-128.07	-79.54	-3,804.20
Transfer from 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	293.32	121.30	-	414.62
Closing carrying amount	1,786.45	181.92	227.48	2,195.85

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	2022-23	2021-22
Provision for Standard Assets		
Provision at the beginning of the year	1,968.38	1,303.16
Additional provision made during the year	-274.12	665.22
Provision at the close of the year	**1,694.26**	**1,968.38**
Non-Performing Assets	**As at 31st March 2023**	**As at 31st March 2022**
Sub-standard Assets	24.83	81.51
Doubtful Assets (Upto 1year)	43.87	34.22
Doubtful Assets (1 – 3 years)	33.33	21.61
Doubtful Assets (More than 3 years)	74.27	78.82
Loss Assets	8.83	11.31
Total Non-performing Assets	185.13	227.47
Provision for non-performing assets	**2022-23**	**2021-22**
Provision at the beginning of the year	227.47	224
Additional provision made during the year	-42.34	3.47
Provision at the close of the year	185.13	227.47

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 31/03/2023 (Rupees in Lakhs)

Internal Rating	Stage 1	Stage 2	Stage 3	Grand Total
High grade	3,16,459.63	-	-	3,16,459.63
Medium grade	-	8,418.83	-	8,418.83
Low grade	-	-	1,399.81	1,399.81
Total	3,16,459.63	8,418.83	1,399.81	3,26,278.27

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

MUTHOOTTU MINI FINANCIERS LTD.

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

Note 3: Investments (Rupees in Lakhs)

Particulars	As at March 31, 2023 (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		
i) Mutual funds					-		-
ii) Government securities					-		-
iii) Debt securities					-		-
iv) Equity instruments							
Subsidiaries					-		-
Others			980.53		980.53		**980.53**
Total Gross (A)	-	-	**980.53**	-	**980.53**	-	**980.53**
i) Investments outside India					-		-
ii) Investments in India	-	-	980.53		980.53	-	**980.53**
Total Gross (B)	-	-	**980.53**	-	**980.53**	-	**980.53**
Less: Allowance for impairment loss (C)	-						
Total - Net D = (A) - (C)	-	-	**980.53**	-	**980.53**	-	**980.53**

*The Company applied for right issue of CIAL amounting to Rs. 125 lakhs, out of Share Application the company was allotted a right issue of Rs 71.8 lakhs on 05-05-2023. The excess application money of Rs 53.2 lakhs was received in bank on 10-05-2023

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (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		
i) Mutual funds					-	-	-
ii) Government securities					-	-	-
iii) Debt securities					-	-	-
iv) Equity instruments							
Subsidiaries					-	-	-
Others			904.58		904.58	-	**904.58**
Total Gross (A)	-	-	**904.58**	-	**904.58**	-	**904.58**
i) Investments outside India					-	-	-
ii) Investments in India	-	-	904.58		904.58	-	**904.58**
Total Gross (B)	-	-	**904.58**	-	**904.58**	-	**904.58**
Less: Allowance for	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	-	-	**904.58**	-	**904.58**	-	**904.58**

MUTHOOT LTD. * MUTHOOT CAPITAL FINANCIERS

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

Notes to financial statements

3.1 Details of investments are as follows :-

Equity instruments (Rupees in Lakhs)

Particulars	As at March 31, 2023 (Audited)		As at March 31, 2022 (Audited)	
	Number	Amount	Number	Amount
Subsidiaries				
Quoted				
Unquoted				
Subtotal	-	-	-	-
Others				
Quoted				
Wonderla Holidays Ltd	503	2.15	503	1.19
The South Indian Bank Limited	45,020	6.58	45,020	3.39
Unquoted				
Cochin International Airport Ltd	5,00,000	900.00	5,00,000	900.00
Share application money pending allotment		71.80		
Subtotal	**5,45,523**	**980.53**	**5,45,523**	**904.58**
Total	**5,45,523**	**980.53**	**5,45,523**	**904.58**

Note 4: Other financial assets (Rupees in Lakhs)

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
Security deposits		
Rent Deposit	1,723.90	1,659.72
Security Deposit with NSE, BSE & CDSL	404.08	401.65
Security Deposit*	50.00	50.00
Electricity Deposit	0.81	-
Insurance deposit	20.31	1.53
Court deposit**	0.75	
Other Receivables		
Commission/Incentive Receivable	31.12	19.29
Third Party	130.44	23.85
Rent Receivable	24.62	11.45
Total	**2,386.03**	**2,167.49**

*Robbery Case
**Industrial Tribunal-I Hyderabad

Notes to financial statements

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
Gross block- at cost									
As at March 31, 2021	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)	
As at March 31, 2022	14,509.62	3,352.75	812.63	1,647.01	449.24	134.35	82.54	20,988.14	-
Additions	-	7.03	172.69	835.68	322.42	227.70	62.94	1,628.46	
Disposals	(13.26)	-	(0.36)	(15.74)	(0.74)	-	-	(30.10)	
As at March 31, 2023	14,496.36	3,359.78	984.96	2,466.95	770.92	362.05	145.48	22,586.50	
Accumulated depreciation									
As at March 31, 2021	-	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)	
As at March 31, 2022	-	715.52	399.98	1,021.90	286.44	84.80	51.13	2,559.77	-
Charge for the period	-	149.62	96.81	157.00	170.03	55.94	7.75	637.15	-
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	865.14	496.79	1,178.90	456.47	140.74	58.88	3,196.92	-
Net Block									
As at March 31, 2021	14,599.67	2,797.51	424.62	607.39	186.05	65.56	36.11	18,716.91	-
As at March 31, 2022	14,509.62	2,637.23	412.65	625.11	162.80	49.55	31.41	18,428.37	-
As at March 31, 2023	14,496.36	2,494.64	488.17	1,288.05	314.45	221.31	86.60	19,389.58	-

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Note 6: Other Intangible Assets (Rupees in Lakhs)

Particulars	Computer Software	Intangible assets under development	Total
Gross block- at cost			
As at March 31, 2021	**31.58**	**46.50**	**78.08**
Additions	6.50	-	6.50
Disposals*	-	(46.50)	-46.50
As at March 31, 2022	**38.08**	-	**38.08**
Additions	**49.67**	**27.08**	**76.75**
Disposals			-
As at March 31, 2023	**87.75**	**27.08**	**114.83**
Accumulated amortisation			
As at March 31, 2021	**26.49**	-	**26.49**
Additions	1.35	-	1.35
As at March 31, 2022	**27.84**	-	**27.84**
Additions	**10.69**		**10.69**
Disposals			-
As at March 31, 2023	**38.53**	-	**38.53**
Net book value:			
As at March 31, 2021	**5.09**	**46.50**	**51.59**
As at March 31, 2022	**10.24**	-	**10.24**
As at March 31, 2023	**49.22**	**27.08**	**76.30**

Note 6.1 Intangible assets under development aging schedule

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	27.08				27.08

Note 7: Other Non-financial assets (Rupees in Lakhs)

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
Balances with government authorities -GST Receivable	597.02	423.86
Other Advances/Receivables**	472.27	189.53
Total	**1,069.29**	**613.39**

**includes capital advance of ₹46.50 lakhs paid to LCode Technologies Pvt. Ltd. on 28.01.2020 for implementing the software product 'Reach NBFC Prosper System' with proper Service Level Agreement at place. However, due to the continuous failure of the software after implementation and considering the non-responsive attitude of LCode towards the issues, a show cause notice was served dated 21.02.2022, and thereafter a termination notice dated 17.05.2022 through our advocates Menon & Pai claiming the refund of Rs.46.50 lakhs with interest plus Rs.1.68 crores towards compensation. Currently the case is pending for arbitration proceedings before the Arbitral Tribunal. Kochi. A provision of 13.95 lakhs equivalent to 30% of advance is created as of 31.03.2023.

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Notes to financial statements

Note 8: Debt Securities (Rupees in Lakhs)

Particulars	As at March 31, 2023 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Debt securities in India				
(i) Secured, Privately Placed NCD	432.60			432.60
(ii) Secured, Redeemable NCD Public Issue	1,16,881.11			1,16,881.11
(iii) Unsecured Public Placed NCD	13,661.35			13,661.35
(iv) Unclaimed Matured Debentures	181.04			181.04
(v) Interest accrued on above	13,381.52			13,381.52
(vi) Unamortized expense of public issue	-765.11			-765.11
Total (A)	**1,43,772.51**	-	-	**1,43,772.51**
Debt securities in India	1,43,772.51	-	-	1,43,772.51
Debt securities outside India	-	-	-	-
Total (B)	**1,43,772.51**	-	-	**1,43,772.51**

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
Debt securities in India				
(i) Secured, Privately Placed NCD	817.46			817.46
(ii) Secured, Redeemable NCD Public Issue	1,30,172.63			1,30,172.63
(iii) Unsecured, Privately Placed NCD	-			-
(iv) Unsecured Public Placed NCD	18,062.10			18,062.10
(v) Unclaimed Matured Debentures	197.14			197.14
(vi) Interest accrued on above	12,947.57			12,947.57
(vii) Unamortized expense of public issue	-1,034.43			-1,034.43
Total (A)	**1,61,162.47**	-	-	**1,61,162.47**
Debt securities in India	1,61,162.47	-	-	1,61,162.47
Debt securities outside India	-	-	-	-
Total (B)	**1,61,162.47**	-	-	**1,61,162.47**

8.1 Secured Redeemable Non-Convertible Debentures – Listed

The outstanding amount of Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue stood at ₹1,16,881.11 lakhs (Previous Year: ₹1,30,172.63 lakhs). During the FY 2022-2023, Secured Redeemable NCD -listed amounting to ₹24,326.63 lakhs (Previous year : ₹45,095.42 lakhs) was raised.

Date of Maturity	Sum of Amount	Interest rate
27-04-2023	2,313.23	8.50%
02-05-2023	3,594.53	9.25%-9.27%
01-07-2023	2,693.53	10.00%
14-09-2023	2,142.23	8.00%
15-09-2023	8,221.78	9.00%-9.54%
29-09-2023	2,140.40	10.00%
23-11-2023	2,122.55	10.00%
02-01-2024	4,221.49	8.75%-9.09%
17-04-2024	3,094.56	10.22%
24-04-2024	3,912.50	10.00%-10.47%
22-05-2024	5,889.90	8.50%-8.90%
14-08-2024	4,727.33	10.00%
31-08-2024	1,686.07	10.22%
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%

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22-05-2025	2,868.90	9.25%
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	9.75%
22-05-2026	9,070.27	9.50%
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%
22-11-2027	4,355.33	10.00%
23-12-2027	1,758.70	10.28%
Total	**1,16,881.11**	

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 ₹432.60 lakhs (Previous year: ₹817.46 lakhs). During the FY 2022- 2023, No Secured Privately Placed NCD was raised

(Rupees in Lakhs)

Date of maturity	Amount	Interest rates
12-06-2024	432.60	10.00% - 10.47%
Total	**432.60**	

8.3 Unsecured Debentures – Unlisted

The outstanding amount of Unsecured Debentures raised through Private placement stood at ₹ Nil (Previous Year: ₹Nil). There is no fresh issue of debentures during the FY- 2022-2023.

8.4 Unsecured Debentures -Listed

The outstanding amount of Unsecured Debentures raised through Public Issue stood at ₹ 13,661.35 lakhs (Previous Year: ₹18,062.10 lakhs). During the FY-22-23 no Unsecured Public Placed NCD (Previous year :₹8,754.02 lakhs) was raised

Date of maturity	Amount	Interest Rate
13-03-2026	01-08-1907	10.25%
02-06-2026	01-08-1906	10.25%
15-03-2027	04-02-1907	10.00%
14-02-2028	05-11-1905	10.41%
02-05-2028	09-09-1903	10.41%
15-09-2028	03-08-1906	10.41%
Total	**26-05-1937**	

8.5 Unclaimed Matured Debentures

The outstanding amount of Unclaimed Matured Debentures as on 31st March 2023 is ₹181.04 lakhs. (Previous year ₹197.14 lakhs). The same has been transferred to current accounts maintained with HDFC Bank.

Period	Amount
2015-2016	13.76
2016-2017	45.02
2017-2018	4.97
2018-2019	26.38
2019-2020	7.21
2020-2021	36.73
2021-2022	14.35
2022-2023	32.61
Total	**181.04**

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

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Notes to financial statements
Note 9: Borrowings (other than debt securities)

Particulars	As at March 31, 2023 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
(a) Term loan				
(i) from banks				
Vehicle Loans -State Bank of India	38.19			38.19
Vehicle Loans -Bank Of Maharashtra	91.88			91.88
Vehicle Loans -HDFC Bank Ltd	69.88			69.88
Term Loan -Catholic Syrian Bank	1,902.55			1,902.55
Term Loan -Canara Bank	15,839.22			15,839.22
Term Loan -Bank of Baroda	9,250.00			9,250.00
Term Loan -Karur Vysya Bank	4,561.40			4,561.40
Term Loan -Indian Bank	3,669.14			3,669.14
Term Loan -Punjab & Sind Bank	1,818.18			1,818.18
Term loan-Utkarsh Small Finance Bank	928.89			928.89
Term Loan - Bank Of Maharashtra	10,078.99			10,078.99
Term Loan - UCO Bank	4,561.40			4,561.40
Term Loan - IDFC First Bank	3,891.71			3,891.71
Term Loan - Karnataka Bank Ltd	4,511.18			4,511.18
Term Loan- Bandhan bank	7,500.00			7,500.00
				-
				-
(ii) from financial institutions				-
Term Loan- Tata Capital	2,000.00			2,000.00
Term Loan- Hinduja Leyland	1,443.56			1,443.56
				-
Unamortized expense of Term Loan	-701.75			-701.75
(b) Loans from related party	-	-	-	-
(c) Loans repayable on demand				
(i) from banks				
South Indian Bank Ltd	9,892.35			9,892.35
State Bank of India	3,987.42			3,987.42
Dhanlaxmi Bank	4,878.06			4,878.06
Indus Ind Bank	9,686.77			9,686.77
Union Bank of India	9,965.29			9,965.29
Punjab National Bank	4,972.77			4,972.77
Karur Vysya Bank	2,435.28			2,435.28
DCB Bank	2,471.92			2,471.92
UCO Bank	1,891.35			1,891.35
IDBI Bank	3,954.05			3,954.05
Indian Bank	1,008.62			1,008.62
HDFC Bank Ltd	15,104.01			15,104.01
Catholic Syrian Bank	4,994.30			4,994.30
IDFC First Bank Ltd	504.06			504.06
Yes bank	4,998.68			4,998.68
Bandhan Bank	466.00			466.00
(ii) from financial institutions				-
Total (A)	**1,52,665.35**	-	-	**1,52,665.35**
Borrowings in India	**1,52,665.35**	-	-	**1,52,665.35**
Borrowings outside India	-	-	-	-
Total (B)	**1,52,665.35**	-	-	**1,52,665.35**

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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
(a) Term loan				
(i) from banks				
Vehicle Loans -State Bank of India,	49.69			49.69
Term Loan -CSB Bank	2,600.67			2,600.67
Term Loan -Canara Bank	11,664.00			11,664.00
Term Loan -Bank of Baroda	3,191.70			3,191.70
Term Loan -Karur Vysya Bank	2,500.00			2,500.00
Term Loan -Indian Bank	5,001.30			5,001.30
Term Loan -Punjab & Sind Bank	2,500.00			2,500.00
Unamortized expense of Term Loan	-377.95			-377.95
(ii) from financial institutions				
(b) Loans from related party				
(c) Loans repayable on demand				
(i) from banks				
South Indian Bank	4,888.45			4,888.45
State Bank of India	3,635.68			3,635.68
Dhanlaxmi Bank	4,659.15			4,659.15
Indus Ind Bank	7,369.59			7,369.59
Union Bank of India	9,686.77			9,686.77
Punjab National Bank	4,835.78			4,835.78
Karur Vysya Bank	2,467.72			2,467.72
DCB Bank	1,500.00			1,500.00
UCO Bank	1,407.78			1,407.78
IDBI Bank	3,626.65			3,626.65
Indian Bank	1,000.25			1,000.25
HDFC Bank Ltd	5,114.38			5,114.38
(ii) from financial institutions				-
Total (A)	**77,321.61**	-	-	**77,321.61**
Borrowings in India	**77,321.61**	-	-	**77,321.61**
Borrowings outside India	-	-	-	-
Total (B)	**77,321.61**	-	-	**77,321.61**

9.1 Security Details

Term Loans

a. State Bank of India- Sanctioned Amount ₹80 lakhs - Outstanding . ₹38.19Lakhs (Previous year ₹49.69 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. Bank Of Maharashtra -Sanctioned Amount ₹100 lakhs -Outstanding ₹91.88 lakhs (Previous year NIL)
Secured by way of Hypothecation of the vehicle to be purchased
Repayment terms: 84 monthly installments of ₹ 1.52 lakhs

c. HDFC Bank Ltd -Sanctioned Amount ₹71 lakhs - Outstanding ₹ 69.88 lakhs (Previous year NIL)
Secured by way of Hypothecation of the vehicle to be purchased
Repayment terms: 84 monthly installments of ₹ 1.12 lakhs

d. CSB Bank- Sanctioned Amount - ₹3,000 lakhs - Outstanding ₹1,902.55 Lakhs (Previous year ₹2,600.67Lakhs)

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Secured by a)Pari-passu first charge on gold loan receivables of the company (present & future) along with other secured lenders with 25% margin. , b)Collateral- Cash collaterals, sufficient to cover 25% of the total exposure, 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

e. Canara Bank - Sanctioned Amount* - ₹10,000 lakhs - Outstanding ₹3,328 Lakhs (Previous year ₹6,664 lakhs)

Secured by a)First charge over all standard movable assets and currents assets, including book debts and receivable, cash and bank balances, loans and advances, both present and future of the company on pari passu basis with all lenders under MBA and debenture holders with minimum ACR to be maintained at 1.20 times of outstanding liability (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

e. Canara Bank - Sanctioned Amount* - ₹5,000 lakhs - Outstanding ₹3,332 Lakhs (Previous year ₹5,000 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. The minimum ACR to be maintained at 1.25 times of the outstanding liability 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 Lakhs

e. Canara Bank - Sanctioned Amount* - ₹4,000 lakhs - Outstanding ₹3,222.22 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. The minimum ACR to be maintained at 1.25 times of the outstanding liability b) Collateral - Cash Collateral of 25% of Loan amount c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

Repayment terms: 35 monthly installments of ₹111 lakhs and last installment of ₹150 Lakhs

e. Canara Bank - Sanctioned Amount* - ₹6,500 lakhs - Outstanding ₹5,957 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. The minimum ACR to be maintained at 1.25 times of the outstanding liability b) Collateral - Cash margin in the form of fixed deposits to the extend of 25% of the exposure c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

Repayment terms: 35 monthly installments of ₹181 lakhs and last installment of ₹165 Lakhs

f.Bank of Baroda - Sanctioned Amount* - ₹3,500 lakhs - Outstanding ₹ 2,000 Lakhs (Previous year ₹3,191.70 Lakhs)

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 (excluding micro finance receivable which is exclusively charged to Tata Capital) both present and future, along with other lenders including NCD holders with security margin of 25% on chargeable current assets, 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. c)Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 35 monthly installments of ₹100 lakhs

f.Bank of Baroda - Sanctioned Amount* - ₹7,500 lakhs - Outstanding ₹7,250 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 (excluding micro finance receivable which is exclusively charged to Tata Capital) both present and future, along with other lenders including NCD holders with security margin of 25% on chargeable current assets, Any underlying /receivables classified as NPA should be replaced / excluded. 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. Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 30 monthly installments of ₹250 lakhs

g. Karur Vysya Bank- Sanctioned Amount* - ₹2,500 lakhs - Outstanding ₹2,061.40 Lakhs (Previous year ₹2,500 Lakhs)

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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. Minimum security cover of 1.33 times of loan amount/ outstanding liabilities with KVB.C) Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 57 monthly installments of 44 Lakhs

g. 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 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. Minimum security cover of 1.33 times of loan amount/ outstanding liabilities with KVB.Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 11 Quarterly installments of 227.27 Lakhs

h.Indian Bank - Sanctioned Amount* - ₹5,000 lakhs - Outstanding ₹3,669.14 Lakhs (Previous year ₹5,001.3 lakhs)

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- Cash Collateral of 25% c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms:11 quarterly instalments of ₹455 Lakhs

i.Punjab and Sind Bank * - ₹2,500 lakhs - Outstanding ₹1,818.18 Lakhs (Previous year ₹2,500 Lakhs)

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) Colleteral-25% cash collateral. c)-Personal Guarantor -Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 33 monthly installments of ₹76 Lakhs

j. Utkarsh Small Finance Bank- Sanctioned Amount* - ₹1,500 lakhs - Outstanding ₹928.89 Lakhs (Previous year nil)

Secured by a)First Pari-passu charge on Book Debts/Loan assets including gold loan receivables of the Company (both present and future) to the extent of 110% of the exposure created out of Utkarsh Small Finance Bank Ltd funding b) Collateral-25% of the Loan Amount sanctioned in the form of FDR c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 monthly installments of ₹62.50 Lakhs

k. Bank Of Maharashtra - Sanctioned Amount ₹10,000 lakhs -Outstanding ₹10,078.99 lakhs (Previous year nil)

Secured by a)First Pari-Passu charge by way of Hypothecation of standard loan receivables of the company to the extent of 1.11 times of outstanding loan.b) Collateral- 25% Cash collateral on the sanctioned amount, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 5 Half yearly instalment of Rs. 2000 lakhs each

l. UCO - Sanctioned Amount ₹5,000 lakhs -Outstanding ₹4,561.40 lakhs (Previous year nil)

Secured by a)First hypothecation charge on receivables including advances against Security Of gold both present and future, on pari-passu basis along with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit, OD etc) and debenture holders and hypothecation charge over other chargeable current assets of the

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company (both present and future) on pari- passu basis with other WC lenders and debenture holders.The company has to maintain security cover of 1.33 times , b) Colleteral-FDR to the tune of 25% of the limit , c)-Personal Guarantor - Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 57 equal monthly installments

m. IDFC - Sanctioned Amount ₹5,500 lakhs -Outstanding ₹3,891.71 lakhs (Previous year nil)

Secured by a) First Pari passu charge of standard book debts and receivables with security cover of 1.2x. All book debts charged should be Standard not be more than 90 DPDF.b) Collateral-Cash margin of 25% in the form of FDs to be maintained on outstanding loan amount, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 equal monthly installments of ₹ 229.17 lakhs

n. Karnataka Bank - Sanctioned Amount ₹5,000 lakhs -Outstanding ₹4,511.18 lakhs (Previous year nil)

Secured by a) Pari Passu First Charge on the current assets, loans and advances and standard receivables of the Company excluding micro finance receivables with minimum asset cover of 1.10 times of the outstanding loan amount at any point of time. b) Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 30 monthly installments of ₹162 lakhs and last installment of ₹140 Lakhs

o. Bandhan Bank - Sanctioned Amount ₹7,500 lakhs -Outstanding ₹7,500 lakhs (Previous year nil)
Secured by a) Paripassu first charge over the Gold Loan receivables (both present and future) excluding microfinance receivables and other current assets of the company, with other secured lenders (Banks & NCD Holders) with security asset coverage ratio of 1.15xtimes to be maintained at all times both present& future of the company. b) Collateral-Cash collateral of minimum 10% of the sanctioned Term Loan limit c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 equal monthly installments of ₹ 312.50 lakhs

p. Tata Capital- Sanctioned Amount ₹2,000 lakhs -Outstanding ₹2,000 lakhs (Previous year nil)

Secured by a) exclusive charge by way of hypothecation over loan assets/book debts of the company micro finance Book((both present & future) at minimum of 1 .25x of the loan outstanding. Portfolio hypothecated should have NIL Overdues. b) Personal guarantee of Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 24 equal monthly installments

q. Hinduja Leyland Finance- Sanctioned Amount ₹1,500 lakhs -Outstanding ₹1,443.56 lakhs (Previous year nil)

Secured by a) Exclusive charge by way of hypothecation over loan assets/book debts of the company micro finance Book((both present & future) at minimum of 1 .10 of the loan outstanding.b) Personal guarantors- Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Loans repayable on demand

a. South Indian Bank – Sanctioned Amount - ₹10,000 lakhs Outstanding ₹ 9,892.35Lakhs (Previous year ₹ 4,888.45Lakhs)

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, with asset coverage ratio of 1.33x times to be maintained. b)Collateral- Cash Collateral to the extent of 25% c)Personal guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

b. State Bank of India–Sanctioned Amount - ₹4,000lakhs - Outstanding ₹ 3,987.42Lakhs (Previous year ₹ 3,635.68Lakhs)

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 with asset coverage ratio of 1.33x times to be maintained. b)Colleteral-EM of 32.86 ares of commercial plot bearing no 219/2 situated at Kundannur,Ernakulam, , c)Personal Gurantor-Mrs. Nizzy Mathew, Mr. Mathew Muthoottu, Mr. Roy M Mathew , d) Corporate Guarantor-M/s Muthoottu Mini Theaters Pvt Limited

c. Dhanlaxmi Bank–Sanctioned Amount ₹4,900 lakhs- ₹ Outstanding ₹4,878.06 Lakhs (Previous year ₹4,659.15 Lakhs)

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-Vacant Land -EM of 34.39 Ares of vacant land U.S.No.262(262/7/18-2, 262/4/7-1-39, 262/4-3,262/4/10-1,262/4/7-1,262/4/6-3) of Pathanamthitta village, Kozhenchery Taluk, Pathanamthitta District, Owned By M/s.Muthoottu Mini Theatres (P) Limited,2.40 ares land with 4500 sq ft, 3 storied commercial building in Konni village, Konni Taluk, Pathanainthitta District Owned By M/s.Muthoot Mini Hotels Pvt Ltd, Fixed Deposit Rs 5.64 Crores, c) 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

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d.IndusInd Bank – Sanctioned amount - ₹10,000 lakhs -Outstanding ₹ 9,686.77Lakhs (Previous year ₹ 7,369.59 Lakhs)

Secured by a)Pari passu charge on the Book Debts and Receivables and other current assets together with secured debenture holders and working capital bankers, with IBL's Security cover of 1.33x. NCD holders have security cover of 1x, b)Collateral-. Commercial Land & Building, 5.85 Ares along with three storied building comparised in Re-Survey No.83 in Block No. 179 of Kollam East Village Kollam Taluk,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, Thriruvanathapuram 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, c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

e.Union Bank of India - Sanctioned amount - ₹10,000 lakhs Outstanding ₹9,965.29Lakhs (Previous year ₹9,686.77Lakhs)

Secured by a) Paripassu first charge on the standard receivables (maturing within one Year)and current assets of the company present and future along with other lenders, 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 Distric, Kerala belonging to Muthoottu Mini Hotels Pvt ltd ,Fixed Deposit of ₹ 10.45 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, Thiruvananathapuram 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.

f. Karur Vysya - Sanctioned amount - ₹2,500 Lakhs Outstanding ₹ 2,435.28Lakhs (Previous year ₹ 2467.72Lakhs)

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). Minimum Security cover of 1.33 times of the loan amount / outstanding liabilities with KVB , 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. c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu d) Corporate Guarantee of M/s Muthoottu Mini Hotels Pvt Ltd.

g.DCB Bank- Sanctioned amount - ₹2,500 lakhs Outstanding ₹2,471.92 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

h. UCO Bank - Sanctioned amount - ₹2,000 lakhs Outstanding ₹1,891.35 Lakhs (Previous year ₹1,407.78 Lakhs)

Secured by a)First hypothecation charge on receivables including advances against Security Of gold both present and future, on pari-passu basis along with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit, OD etc) and debenture holders and hypothecation charge over other chargeable current assets of the company (both present and future) on pari- passu basis with other WC lenders (funding WC requirement of the company by way of Term Loan, STL, Cash credit. OD etc) and debenture holders.The company has to maintain security cover of 1.33 times during the entire tenor of loan, b) Colleteral-FDR to the tune of 25% of the limit c)-Personal Guarantor -Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

i. IDBI Bank - Sanctioned amount - ₹4,000 Lakhs Outstanding ₹3,954.05 Lakhs (Previous year ₹3,626.65 Lakhs)

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 with security margin of 25%, 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

j. Indian Bank - Sanctioned amount - ₹1,000 Lakhs Outstanding ₹1,008.62Lakhs (Previous year ₹1,000.25Lakhs)

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- Cash Collateral of 25% C) Personal Gurantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

k.HDFC Bank LTD - Sanctioned amount - ₹15,100 Lakhs Outstanding ₹15,104.01 Lakhs (Previous year ₹5,114.38 Lakhs)

Secured by a)First pari passu charge on all current assets of the Company, both current and future including receivables (Gold loan receivables excluding Micro Finance receivables) for working capital limits with security margin of 20%, 100% Fixed Deposits for ODFD limits. b)25 % Cash margin in the form of FD, Personal Guaranor-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

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Notes to financial statements

l. CSB Bank- Sanctioned Amount - ₹5,000 lakhs - Outstanding ₹4,994.30 Lakhs (Previous year nil)

Secured by a)Pari-passu first charge on gold loan receivables of the company (present & future) along with other secured lenders with 25% margin. , b)Collateral - Cash collaterals, sufficient to cover 25% of the total exposure, at any point of time (WCDL+ Rundown balance of TL) , c.) Personal guarantee of Nizzy Mathew and Mathew Muthoottu d) Corporate guarantee of M/s Muthoottu Mini Hotels Private Limited

m. IDFC - Sanctioned Amount ₹ 500 lakhs -Outstanding ₹504.06 lakhs (Previous year nil)

Secured by a) First Pari passu charge of standard book debts and receivables with security cover of 1.2x. All book debts charged should be Standard not be more than 90 DPD.b) Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

n. Bandhan Bank - Sanctioned Amount ₹ 500 lakhs -Outstanding ₹ 466.00 lakhs (Previous year nil)

Secured by a) Paripassu first charge over the Gold Loan receivables (both present and future) excluding microfinance receivables and other current assets of the company, with other secured lenders (Banks & NCD Holders) with security asset coverage ratio of 1.15xtimes to be maintained at all times both present& future of the company. b) Collateral-Cash collateral of minimum 10% of the sanctioned Term Loan limit in the form of term deposit to be kept for the tenure of the loan, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

o. Yes Bank - Sanctioned Amount ₹ 5,000 lakhs -Outstanding ₹ 4,998.68 lakhs (Previous year nil)

Secured by a) Paripassu first charge charge on standard book debts and receivables with 1.10x cover in line with existing pari passu charge holders (excluding Micro Finance Loans Receivables). b) Collateral-Cash Collateral of 10% cover of the disbursed amount to be maintained, c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

p. Punjab National Bank Coimbatore (erstwhile Oriental Bank of Commerce,Coimbatore) - Sanctioned amount - ₹5,000 lakhs Outstanding ₹4,972.77Lakhs (Previous year ₹4,835.78 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 Guaratntor-Mrs. Nizzy Mathew and Mr. Mathew Muthoottu

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Notes to financial statements

Note 10: Subordinated Liabilities

(Rupees in Lakhs)

Particulars	As at March 31, 2023 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Subordinated Liabilities in India	23,988.88			23,988.88
Unclaimed Subordinated Liabilities in India	311.41			311.41
Subordinated Liabilities outside India	-			-
Total	**24,300.29**	-	-	**24,300.29**

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	-			-
Total	**26,587.21**	-	-	**26,587.21**

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 ₹23,134.62 lakhs (Previous year: ₹19,938.91 lakhs).

Interest pay out- Maturity Period	Amount* As at 31st March, 2023	Interest Rate
2021-2022	48.67	16.67%
2022-2023	45.26	15.38%-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	1,283.27	10.00%-14.46%
2029-2030	3,780.79	14.46%
	6,554.16	

Interest pay out-Monthly	Amount	Interest Rate
2021-2022	26.60	10.75%-11.00%
2022-2023	100.83	10.50%-11.00%
2023-2024	183.89	10.50%-10.75%
2025-2026	1,574.61	10.50%
2026-2027	429.10	9.50%-10.25%
2027-2028	10,427.43	10.00%-10.50%
2028-2029	3,828.00	10.50%
2029-2030	10.00	14.46%
	16,580.46	

* Excluding interest accrued

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Notes to financial statements

Note 11: Other Financial liabilities

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
Expenses payable	891.93	429.50
Rent Payable	43.76	149.09
Rent Deposit	47.35	15.40
Kotak Insurance Payable	60.87	26.44
Auction Surplus Payable	592.99	727.56
Other Payable	102.74	124.50
Total	**1,739.64**	**1,472.49**

Note 12: Provisions

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
Provision for employee benefits		
- Gratuity	495.39	463.72
- Others	13.95	6.98
Total	**509.34**	**470.70**

Note 13: Other Non-financial liabilities

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
Statutory dues payable	246.00	242.45
Others	60.24	53.17
Total	**306.24**	**295.62**

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Notes to financial statements

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, 2023 (Audited)	As at March 31, 2022 (Audited)
Authorised		
325,00,000 Equity Shares of Rs.100/- each	32,500.00	32,500.00
Issued, subscribed and fully paid up		
249,52,539 Equity shares of Rs. 100/- each fully paid up	24,952.54	24,952.54
Total Equity	**24,952.54**	**24,952.54**

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
As at March 31, 2022	**2,49,52,539**	**24,952.54**
Shares issued during the period	-	-
As at March 31, 2023	**2,49,52,539**	**24,952.54**

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

Particulars	As at March 31, 2023 (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%

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%

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.

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
Equity Shares :			
2019-2020	-	-	-
2018-2019	-	-	-
2017-2018	-	-	-
2016-2017	-	-	-
2015-2016	-	-	-

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Notes to financial statements

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, 2023 (Audited)	As at March 31, 2022 (Audited)
Statutory Reserves		
Special Reserve Fund(u/s 45 IC of RBI Act, 1934)		
Balance at the beginning of the year	6,300.56	5,374.68
Add: Transfer from Retained earnings	1,349.79	925.88
Balance at the end of the year	**7,650.35**	**6,300.56**
Debenture Redemption Reserve		
Balance at the beginning of the year	-	-
Add: Transfer from/(to) Retained earnings	-	-
Balance at the end of the year	-	-
Impairment reserve	-	
Balance at the beginning of the year	-	-
Add: Transfer from/(to) Retained earnings	167.95	-
Balance at the end of the year	**167.95**	-
Securities Premium		
Balance at the beginning of the year	7,844.15	7,844.15
Add: Securities premium on share options exercised during the year	-	-
Balance at the end of the year	**7,844.15**	**7,844.15**
Revaluation Reserve		
Balance at the beginning of the year	350.00	350.00
Add: Amount transferred	-	-
Balance at the end of the year	**350.00**	**350.00**
Retained Earnings		
Balance at the beginning of the year	**16,322.91**	**12,811.98**
Add: Profit for the period	**6,748.95**	**4,436.81**
Add/Less: Appropriation :-		
Transfer to Special Reserve Fund	(1,349.79)	(925.88)
Transfer from/(to) Debenture Redemption Rese	-	-
Transfer to Impairment Reserve	(167.95)	-
Total appropriations	**(1,517.74)**	**(925.88)**
Balance at the end of the year	**21,554.12**	**16,322.91**
Total	**37,566.57**	**30,817.62**

15.1 Nature and purpose of reserve

Statutory reserve

Statutory Reserve represents the Reserve Fund created u/s 45IC of the Reserve Bank of India Act, 1934. In current year ₹ 1349.79 lakhs is appropriated from Statement of Profit and Loss to the Special Reserve Fund.

Debenture Redemption Reserve

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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.

Impairment Reserve

In accordance with RBI circular no. RBI/2019-20/170 dated March 13, 2020, the company has provided for impairment allowances as required by Ind AS. In parallel the company has also determined the asset classification and computed the impairment provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning

Further, since impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP the difference has been appropriated from net profit after tax to 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital.

No withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI. The requirement for 'Impairment Reserve' shall be reviewed, going forward as per further instructions from RBI

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Note 16: Interest income (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
	On Financial asset measured at amortised cost	On Financial asset measured at amortised cost
i)Interest on Loans		
On Gold loan	48,670.80	40,120.99
On Micro Finance	3,168.63	1,089.30
On loan against property	86.53	91.63
ii)Interest on deposits with bank	1,426.68	961.02
Total	**53,352.64**	**42,262.94**

Note 17: Other income on loans (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
	On Financial asset measured at amortised cost	On Financial asset measured at amortised cost
Processing fees on loans	769.65	423.35
Total	**769.65**	**423.35**

Note 18: Net gain on fair value changes (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	4.16	
- Derivatives	-	-
- Others	-	-
(B) Loss on fair valuation of equity shares	-	0.13
Total Net gain on fair value changes (C)	**4.16**	**(0.13)**
Fair Value changes:		
- Realised		
- Unrealised	4.16	(0.13)
Total Net gain on fair value changes	**4.16**	**(0.13)**

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RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

Note 19: Sale of services (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Other Operating Income	16.25	28.53
Total	**16.25**	**28.53**

Note 20: Other Income (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Other non-operating income	72.51	129.39
Total	**72.51**	**129.39**

Notes to financial statements

Note 21: Finance Costs (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
	On financial liabilities measured at amortised cost	On financial liabilities measured at amortised cost
Interest on borrowings (other than debt securitie	9,259.63	3,404.62
Term Loan Amortisation	336.86	87.02
Interest on debt securities		
-Public issue	15,521.38	14,442.40
-NCD amortization	536.62	554.63
-Pvt Placement	124.99	234.05
Interest on subordinated liabilities	2,143.02	3,231.11
Bank Charges	426.66	411.56
Total	**28,349.16**	**22,365.39**

Note 22: Impairment on financial instruments (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
	On financial instruments measured at amortised cost	On financial instruments measured at amortised cost
Loans	(316.46)	668.69
Bad Debts Written Off	80.81	51.18
Other Assets	6.98	6.98
Total	**(228.67)**	**726.85**

Note 23: Employee Benefits Expenses (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Salaries and Wages	9,357.49	7,488.96
Gratuity	130.64	123.69
Bonus	235.33	221.04
Contributions to Provident and Other Funds	711.39	616.78
Staff Welfare Expenses	18.50	3.64
Total	**10,453.35**	**8,454.11**

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Note 24: Depreciation, amortization and impairment (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Depreciation of tangible assets	637.14	508.95
Amortization of intangible assets	10.69	1.35
	647.83	**510.30**

Note 25: Other Expenses (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Rent, taxes and energy costs	2,857.44	2,480.50
Repairs and maintenance	358.93	243.80
Communication Costs	300.51	296.28
Printing and stationery	332.73	162.23
Advertisement and publicity	1,098.04	602.04
Director's fees, allowances and expenses	24.82	21.44
Auditor's fees and expenses	31.94	26.22
Legal and Professional charges	183.92	174.29
Insurance	120.78	175.30
General Office Expenses	544.46	131.44
Brokerage expenses	1.50	-
Travelling Expenses to Staff	608.21	305.18
Vehicle Running & Maintenance Expenses	7.66	5.17
Security Charges	291.24	197.92
Subscription Charges	23.29	18.63
Corporate social responsibility	96.71	74.28
Public Issue NCD Expenses	159.98	107.97
Loss on sale of Fixed assets	-	1.27
Other expenditure	2.91	1.38
Total	**7,045.07**	**5,025.34**

Note 25.1 Auditor's fees and expenses (Rupees in Lakhs)

Particulars	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
For Statutory audit	22.94	15.00
Tax Audit	5.00	5.00
For Limited Review	3.75	4.01
For other services	0.25	2.21
Total	**31.94**	**26.22**

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Notes to financial statements

Note 26: 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.

(Rupees in Lakhs)

Particulars	Period ended March 31, 2023 (Audited)	Period ended March 31, 2022 (Audited)
Net profit attributable to ordinary equity holders in lakhs	6,728.45	4,629.40
Weighted average number of equity shares for basic earnings per share	2,49,52,539	2,49,52,539
Effect of dilution:		
Weighted average number of equity shares for diluted earnings per share	2,49,52,539	2,49,52,539
Earnings per share:		
Basic earnings per share (₹)	**26.96**	**18.55**
Diluted earnings per share (₹)	**26.96**	**18.55**

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MUTHOOTTU MINI FINANCIERS LIMITED

Muthoottu Royal Tower, Kaloor, Kochi, Kerala – 682017

Notes to Financial Statements for the year ended 31st March, 2023

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 861 branches across the country.

The Company is registered with the Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA) and Insurance Regulatory and Development Authority of India (IRDA).

The registration details are as follows:

RBI : N-16.00175

Corporate Identity Number (CIN) : U65910KL1998PLC012154

IRDA : CA0122

The Company is engaged in full-fledged Gold Loan business, its debt securities are listed on Bombay Stock Exchange and has accepted debentures & subordinated debt under private placement in compliance with RBI guidelines and listed public debentures in compliance with SEBI regulations. As part of diversification of business of the Company, apart from the core business of Gold Loan, the Company has entered the area of Microfinance, Insurance agency business, Money transfers, Travel & Tourism etc.

RBI has introduced Scale Based Regulatory framework (SBR) vide its circular dated October 22, 2021, to be effective from October 01st, 2022. Under the framework, the Company will fall under Middle Layer (NBFC-ML) as it has an asset size of more than Rs 1,000 crores.

The Registered and Corporate office of the Company is situated at 65/623K, Muthoottu Royal Towers, Kaloor, Kochi, Ernakulam, Kerala-682017

The financial statements of the Company for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 17, 2023.

II. Basis of Preparation, Critical Accounting Estimates and Judgments

The financial statements have been prepared on the following basis:

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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 recognized 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

MCA has not notified any new standards during the year ended 31st March 2023

The Amendments in the Companies (Indian Accounting Standards) Amendment rules, 2022 which will be effective from 01.04.2023 onwards.

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) on the gross carrying amount of financial assets measured at amortized cost other than credit impaired assets and financial assets classified as measured at FVTPL

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.

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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.
Step2 Identify the performance obligations in the contract
Step 3 Determine the transaction price
Step4 Allocate the transaction price to the performance obligation in the contracts
Step 5 Recognize revenue when the Company satisfies a performance obligation

(d) Net gain/loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 18), held by the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in 'Net gains on fair value changes' under Revenue from operations and if there is a net loss the same is disclosed under 'Expenses' in the Statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt or equity instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

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 judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at 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

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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 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

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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.

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- 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.

As required by RBI Circular reference no. RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/ FY 2019-20 dated March 13, 2020; where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc., the Company shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

Upgradation of accounts classified as Stage 3/Non-performing assets (NPA) - The Company upgrades loan accounts classified as Stage 3/ NPA to 'standard' asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the Company in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

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 that 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 measurers 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.

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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 I - 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

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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. Finance cost

Finance costs represents Interest expense recognized by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed at the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortized cost of a financial liability, by considering all the contractual terms of the financial instrument in estimating the cash flows.

Finance cost Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the financial liability. Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

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E. 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.

F. Other income and expenses

All other income and expense are recognised in the period they occur.

G. 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 ie., 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.

H. Foreign currency transaction

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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.

I. 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.

J. 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.

K. 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

L. 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

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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.

M. 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 13 February, 2023. 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.

N. 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."

O. 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.

P. Contingent Assets

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

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future events not wholly within the control of the entity. The company does not have any contingent assets in the financial statements.

Q. 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 dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

R. 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.

S. 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.

T. 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.

U. Ind AS 101 - First-time Adoption of Indian Accounting Standards

Exemptions applied Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions: On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as

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at March 31, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on April 01, 2019.

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

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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.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

1. Income Tax

a. Major components of tax expense/(income)

(Rupees in lakhs)

Particulars	2022-23	2021-22
Profit or Loss section:		
(i) Current income tax:		
Current income tax expense	1,374.76	1,156.43
Tax expense of prior periods	-	-
(ii) Deferred tax:		
Tax expense on origination and reversal of temporary differences	74.01	156.64
Income tax expense reported in Profit or Loss [(i) + (ii)]	**1,448.77**	**1,313.07**
Other Comprehensive Income (OCI) section:		
(i) Items that will not be reclassified to profit or loss		
- Remeasurement of defined benefit plans	-	(79.13)
(ii) Items to be reclassified to profit or loss in subsequent periods:	-	-
Income tax expense reported in Other Comprehensive Income[(i)+(ii)]	-	**(79.13)**
Retained earnings:		
Current income tax	1,374.76	1,156.43
Deferred tax	74.01	77.51
Income tax expense reported in retained earnings	**1,448.77**	**1,233.94**

b. Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

(Rupees in lakhs)

Particulars	2022-23	2021-22
Accounting profit before tax as per Ind AS	8,177.22	5,942.47
At India's Statutory Income Tax rate of 29.12%	2,381.21	1,730.45
Add/(Less) : Ind AS adjustments on PBT	-	-
Add/(Less) : Allowances / disallowances (Net) for which deferred tax not taken	(102.03)	207.58
Add: Excess/(Lower) Tax paid as per MAT and interest thereof	(830.41)	(624.96)
Deferred tax	-	-
Total tax expenses in Profit/Loss Statement	**1,448.77**	**1,313.07**

The effective Income Tax rate for both FY 2022-23 & PY 2021-22: 29.12%.

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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 31-03-2023	As at 31-03-2022	Year ended 31-03-2023	
		Balance sheet		Statement of Profit and Loss	OCI
(a)	Re measurement gain / (loss) on defined benefit plan	144.26	135.04	9.21	-
(b)	Impact of carry forward losses	-	-	-	-
(c)	Difference between book depreciation and tax depreciation	503.76	569.74	(65.98)	-
(d)	Financial assets measured at Fair value	(0.85)	0.35	(1.20)	-
(e)	Net impact of gain on de recognition of financial instruments under amortised cost category	(427.15)	(411.28)	(15.86)	-
(f)	Other temporary differences		0.18	(0.18)	-
	Net deferred tax assets/(liabilities)	220.02	294.03	(74.01)	-

d. Reconciliation **of deferred tax (assets)/liabilities**

(Rupees in lakhs)

Sl. No	Particulars	2022-23	2021-22
(a)	Opening balance as at April 1	294.03	371.54
(b)	Deferred Tax income/(expense) during the period recognized in:		
	(i) Statement of Profit and Loss in Profit or Loss section	(74.01)	(156.64)
	(ii) Statement of Profit and Loss under OCI section		79.13
	Closing balance as at March 31	**220.02**	**294.03**

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

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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 31-03-2023	As at 31-03-2022
Actuarial Loss/ (Gain)on Obligation side during the period	-20.50	271.72

Reconciliation of Net asset/liability

Particulars	As at 31-03-2023	As at 31-03-2022
Opening Net liability	463.72	156.65
Expense recognized in P/L	130.64	123.69
Actuarial loss/(Gain) recognized in OCI	(20.50)	271.72
Contribution paid by employer	(78.47)	(88.34)
Closing Net Liability	495.39	463.72

Expenses recognized in the statement of profit and loss

Particulars	As at 31-03-2023	As at 31-03-2022
Current Service Cost	99.51	115.25
Past Service Cost	-	-
Settlement Cost/(Credit)	-	-
Net Interest on Obligation/Asset	31.13	8.43
Expenses recognized in the statement of Profit & Loss	130.64	123.69

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

Particulars	31.03.2023	31.03.2022
Discount Rate	7.280%	7.335%

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Compensation Escalation Rate	3.50%	3.50%
Mortality rate during employment	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

Sensitivity Analysis

Assumptions	31-03-2023		31-03-2023		31-03-2022		31-03-2022	
	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	(432.38)	572.28	574.10	(429.74)	(406.06)	534.22	536.09	(403.62)

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
Maliakal Jose Paul	
Manoj Kumar R	Non- executive Director
Roy M Mathew	Relatives of Key Managerial Personnel / Director
Muthoottu Royal Gold	
Mini Muthoottu Nidhi Kerala Ltd	Entity in which KMP has significant influence.
MM Nirman and Real Estate Pvt Ltd	
Muthoottu Mini Hotels Pvt Ltd	
Muthottu Infotech Private Limited	
Muthoottu Finance and Services Pvt Ltd	
Miilanche	

b) Transactions during the financial year with related parties as on 31.03.2023

(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	264.00	180.00	67.79	45.84	21.84
Rent/ maintenance charges	3.59	1.16	-	-	-
Debenture interest/ Subordinated debt interest	1.53	4.12	-	-	-
Debenture redeemed	15.20	7.50	-	-	-
Debenture holdings	10.00	39.11	-	-	-
Subordinated debt Redeemed	4.50	-	-	-	-
Advance for property	-	-	-	-	-
Travelling Expense	17.33	1.04	-	-	-

Particulars	**Directors**		
	Maliakal Jose Paul	M S Rajagopal	Manoj Kumar R
Sitting fee	1.75	3.15	1.55

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Particulars	Relative of KMP		Entity in which KMP has significant influence					
	Roy M Mathew	Royal Gold	Mini Muthoottu Nidhi Kerala Ltd	MM Nirman and Real Estate P Ltd	Muthoottu Mini Hotels P Ltd	Muthoottu Finance and services Pvt Ltd	Miilanche	Muthoottu Infotech
Rent/ maintenance charges	5.44	-	7.23	6.60	6.79	-		
Rent received	-	3.59	18.95	-	-		2.12	0.28
Debenture interest/ Subordinated debt interest	0.36	-	-	-	-	-		
Subdebt Holdings	5.00							
Subdebt Redeemed	1.12	-	-	-	-	-		
Loan against property outstanding	-	-	-	-	596.39	-		
Interest on Loan against property	-	-	-	-	86.53	-		
Principal repayment of Loan against property	-	-	-	-	39.23	-		
Purchase for marketing activities	-	-	-	-	-	30.86		
Purchase of materials	-	-	-	-	-	-	26.10	
Commission Received	-	8.71	-	-	-	-		
Purchase of Gold Coin	-	3.02	-	-	-	-		
IT Consultancy & Support Services								22.23

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 Hotels Private Limited;
2. Muthoottu Mini Theatres 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 31.03.2022:

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	239.00	180.00	61.62	42.12	20.52
Rent/ maintenance charges	3.50	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

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Sitting fee	0.45	2.55	3.15	1.25

Particulars	Relative of KMP		Entity in which KMP has significant influence				
	Roy M Mathew	Royal Gold	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	4.16		6.17	4.15	2.40	-	-
Rent received	-	2.63	17.21	-	-	-	1.20
Debenture interest/ Subordinated debt interest	0.19		-	-	-	-	-
Subdebt Holdings	1.12		-	-	-	-	-
Loan against property outstanding	-		-	-	635.62	-	-
Interest on Loan against property	-		-	-	91.63	-	-
Principal repayment of Loan against property	-		-	-	34.14	-	-
Purchase of Materials	-		-	-	-	-	27.43
Diary printing	-		-	-	-	61.18	-
Commission Received	-	1.85	-	-	-	-	-
Purchase of Gold Coin	-	1.98	-	-	-	-	-

4. Managerial remuneration **(Rupees in lakhs)**

Whole time director	2022-23	2021-22
Nizzy Mathew	180.00	180.00
Mathew Muthoottu	264.00	239.00
Key managerial person		

P E Mathai	67.79	61.62
Ann Mary George	45.84	42.12
Smitha K S	21.84	20.52
Total	**579.47**	**543.26**

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 31.03.2023**	**As at 31.03.2022**
1. CRAR- Tier I Capital	55,983.82	49,453.51
2. CRAR- Tier II Capital	23,893.12	9,437.04
3. Total Capital	79,876.94	58,890.55
4. Risk Weighted Assets	3,50,103.70	2,71,974.29
5. CRAR- Tier I Capital (%)	15.99%	18.18%
6. CRAR- Tier II Capital (%)	6.82%	3.47%
7. Total CRAR (%)	22.81%	21.65%

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	31-03-2023				31-03-2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis								
Financial investment held for trading	-	-	-	-	-	-	-	-
Equity Shares	8.73	-	971.80	980.53	4.58	-	900.00	904.58
Total Assets measured at fair value on a recurring basis	**8.73**	-	**971.80**	**980.53**	**4.58**	-	**900.00**	**904.58**
Assets measured at fair value on a non-recurring basis	-	-	-	-	-	-	-	-
Liabilities measured at fair value on a recurring basis								
Derivative financial instruments -Forward contracts	-	-	-	-	-	-	-	-
-Cross Currency Swaps	-	-	-	-	-	-	-	-
Total derivative financial instruments	-	-	-	-	-	-	-	-
Total Liabilities measured at fair value on a recurring basis	-	-	-	-	-	-	-	-
Liabilities measured at fair value on a non-recurring basis	-	-	-	-	-	-	-	-

c. ***Valuation Technique***

Equity Instruments: Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by case and classified as Level 3. Quoted equity instruments on recognised stock exchanges are valued at Level 1 hierarchy being the unadjusted quoted price as at 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. ***Movements in Level 3 financial instruments measured at fair value:***

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Company requires significant unobservable inputs to calculate their fair value. The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	**Equity Instruments**	
	As at March 31, 2023	**As at March 31, 2022**
Opening Balance	**900.00**	**0.00**
Purchase	71.80	900.00
Sales		
Unrealized gains and losses related to balances held at the end of the year	0.00	0.00
Closing Balance	**971.80**	**900.00**

f. ***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**	
		31-03-2023	**31-03-2022**	**31-03-2023**	**31-03-2022**
Financial assets					

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Cash and cash equivalents	1	14,913.36	35,532.73	14,913.36	35,532.73
Bank Balance other than (a) above	1	20,589.07	15,124.54	20,589.07	15,124.54
Loans	3	3,24,398.88	2,47,664.61	3,24,398.88	2,47,664.61
Investments	1	980.53	904.58	980.53	904.58
Other financial assets	3	2,386.03	2,167.49	2,386.03	2,167.49
Total Financial assets		**3,63,267.87**	**30,1,393.95**	**3,63,267.87**	**30,1,393.95**
Financial liabilities					
Debt Securities	2	143,772.51	1,61,162.47	143,772.51	1,61,162.47
Borrowings (other than debt securities)	2	1,52,665.35	77,321.61	1,52,665.35	77,321.61
Subordinated liabilities	2	24,300.29	26,587.21	24,300.29	26,587.21
Other financial liabilities	2	1,739.64	1,472.49	1,739.64	1,472.49
Total Financial liabilities		**3,22,477.79**	**2,66,543.78**	**3,22,477.79**	**2,66,543.78**

g. ***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

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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.

A. Risk management structure

The Company has constituted Risk Management Committee comprising members of the Board 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.

B. 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:

(a) 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

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and reporting;

(b) 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.

C. Internal Audit Department & Risk Audit

Company's internal audit department assists in the management of operational risk. An Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

D. Assets-Liabilities Management Policy

The asset-liability management policy ("ALM Policy") adopted by the Board is reviewed periodically and last updated on May 20, 2022.

E. Analysis of risk concentration

(i) 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

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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 ₹ 1 lakh to an individual customer. We also decrease credit risk by close 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 31/03/2023 **(Rupees in lakhs)**

State wise (Geography)	Stage 1 (O – 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	44,079.73	1,100.19	425.47	45,605.39
Tamil Nadu	1,37,095.00	3,205.53	535.45	1,40,835.99
Andhra Pradesh	37,379.66	1,029.11	69.05	38,477.82
Karnataka	43,182.55	994.91	268.55	44,446.02
Others*	54,722.68	2,089.09	101.28	56,913.05
Total	3,16,459.63	8,418.83	1399.81	3,26,278.27

As on 31/03/2022 **(Rupees in lakhs)**

State wise (Geography)	Stage 1 (O – 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

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

(ii) 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 discloses the maximum exposure to credit risk by class of financial asset. They also discloses 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 31/03/2023

(Rupees in lakhs)

Particulars	As at March 31, 2023	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
ASSETS											
Financial assets											
Cash and cash equivalents	14,913.36	14,913.36	14,913.36						14,913.36	-	

Bank Balance other than (a) above	20,589.07	20,589.07	20,589.07						20,589.07	-	
Loans									-	-	
(a) Gold Loan	3,03,595.41	3,03,595.41				3,03,595.41		1,33,893.02	4,37,488.43	-	1,281.37
(b) Loan Against Property	554.69	554.69		554.69				827.81	1,382.50		133.63
(c) Micro finance	20,248.78	20,248.78							-	20,248.78	464.39
Investments	980.53	980.53					980.53		980.53	-	
Other financial assets	2,386.03	2,386.03							-	2,386.03	
Total	3,63,267.87	3,63,267.87	35,502.43	554.69		3,03,595.41	980.53	1,34,720.83	4,75,353.89	22,634.81	1,879.39

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
ASSETS											
Financial assets											
Cash and cash equivalents	35,532.73	35,532.73	35,532.73						35,532.73	-	
Bank Balance other than (a) above	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	
Total	3,03,589.80	3,03,589.80	50,657.27	727.55	-	2,42,697.48	904.58	1,11,392.07	4,06,378.95	8,602.92	2,195.85

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(iii) 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.

(iv) 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.

(v) 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, 2023, 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	43.06%	43.06%	43.06%
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	6.32%	6.32%	100.00%
Microfinance	6.45%	6.45%	100.00%
Loan Against Property	33.33%	33.33%	100.00%

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➢ **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	6.33%	6.33%	6.33%
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

(vi) 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 31,2023

Maturity pattern of assets and liabilities as on March 31, 2023

(Rupees in lakhs)

Particulars	As at March, 31 2023	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
Financial assets									
Cash and cash equivalents	14,913.36	8,554.66	3,363.34	2,995.36					
Bank Balance other than (a) above	20,589.07				5,189.04	8,149.42	5,961.66	1288.95	
Receivables									
Loans	3,24,398.88	7,120.79	17,519.29	21,900.34	66,152.62	1,90,977.01	18,732.63	275.50	1,720.70
Investments	980.53								980.53
Other financial	2,386.03	186.18					2,199.85		

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assets									
Total Financial Assets	3,63,267.87	15,861.63	20,882.63	24,895.70	71,341.66	1,99,126.43	26,894.14	1,564.45	2,701.23
Financial Liabilities									
Debt Securities	1,43,772.51	2,586.61	4,022.35		16,011.36	6,613.88	69,522.14	41,323.73	3,692.44
Borrowings (other than debt securities)	1,52,665.35	1,834.47	1,930.19	4,612.92	7,102.33	98,046.37	37,169.48	1,936.83	32.76
Subordinated liabilities	24,300.29	579.55	8.26				1,593.08	12,705.80	9,413.60
Other financial liabilities	1,739.64	141.02	141.02	141.02	423.07	846.16	47.35		
Total Financial Liabilities	3,22,477.79	5,141.65	6,101.82	4,753.94	23,536.76	1,05,506.41	1,08,332.05	55,966.36	13,138.81
Net Undiscounted Asset/(Liabilities)		10,719.98	14,780.81	20,141.76	47,804.90	93,620.02	-81,437.91	-54,401.91	-10,437.58

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
Financial assets									
Cash and cash	35,532.73	29,677.26	3,771.21	2,084.26					

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equivalents									
Bank Balance other than (a) above	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		
Total Financial Assets	3,01,393.95	67,830.33	18,609.35	20,122.01	85,459.81	98,274.67	9,693.73	128.03	1,276.02
Financial Liabilities									
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		
Total Financial Liabilities	2,66,543.78	13,421.95	8,809.38	4,890.39	78,728.75	22,400.84	76,177.34	40,570.67	21,544.46
Net Undiscounted Asset/(Liabilities)		54,408.38	9,799.97	15,231.62	6,731.06	75,873.83	(66,483.61)	(40,442.64)	(20,268.44)

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
AS at March 31, 2023								
Income tax demands						851.57		
AS at March 31, 2022								
Income tax demands						624.12		

(vii) 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
On Floating Rate Borrowings	**1,533.67**	**(1,533.67)**

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 ₹ 2,196.71 lakhs (Previous year ₹ 1,883.71 lakhs) are recognized as rent paid in the Statement of Profit and loss.

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

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

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associated liabilities.

(Rupees in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Securitisations		
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
Fair Value of assets	Nil	Nil
Fair value of associated liabilities	Nil	Nil
Net position at Fair Value	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 March31, 2023	Within 12 months	After 12 months
ASSETS			
Financial assets			
Cash and cash equivalents	14,913.36	14,913.36	-
Bank Balance other than (a) above	20589.07	13,338.46	7,250.61
Loans	3,24,398.88	3,03,991.63	20,407.25
Investments	980.53	-	980.53
Other financial assets	2,386.03	186.18	2,199.85
Non-financial Assets		-	-
Current tax assets (Net)	1,789.42	-	1,789.42
Deferred tax assets (Net)	220.02	-	220.02
Property, Plant and Equipment	19,389.58	-	19,389.58
Other intangible assets	76.30	-	76.30
Other non-financial assets	1069.29	1069.29	-
Total Assets	**3,85,812.48**	3,33,498.92	52,313.56
LIABILITIES			
Financial Liabilities			
Debt Securities	1,43,772.51	28,469.08	1,15,303.43

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Borrowings (other than debt securities)	1,52,665.35	83,837.18	68,828.17
Subordinated liabilities	24,300.29	587.81	23,712.48
Other financial liabilities	1,739.64	1,692.29	47.35
Non-financial Liabilities		-	-
Provisions	509.34	509.34	-
Other non-financial liabilities	306.24	306.24	-
Total Liabilities	**3,23,293.37**	1,15,401.94	2,07,891.43
Net Undiscounted Asset/(Liabilities)		2,18,096.98	(1,55,577.87)

(Rupees in lakhs)

Particulars	As at March31, 2022	Within 12 months	After 12 Months
ASSETS			
Financial assets			
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
Non-financial Assets		-	-
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	-
Total Assets	**3,23,080.26**	2,90,909.56	32,170.70
LIABILITIES			
Financial Liabilities			
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
Non-financial Liabilities		-	-

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Provisions	470.70	470.70	-
Other non-financial liabilities	295.62	295.62	-
Total Liabilities	**2,67,310.10**	1,29,017.63	1,38,292.47
Net Undiscounted Asset/(Liabilities)		1,61,891.93	(1,06,121.77)

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 2022	Cash flows	Change in Fair Value	Others	As at 31 March 2023
Borrowings (other than debt securities)	77,321.61	75,343.74	-	-	1,52,665.35
Subordinated liabilities	26,587.21	(2,286.92)	-	-	24,300.29
Debt Securities	1,61,162.47	(17,659.28)	-	269.32	1,43,772.51
Total	**2,65,071.29**	**55,721.34**		**(54.48)**	**3,20,738.15**

(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
Total	**1,98,851.46**	**66,523.02**		**(303.19)**	**2,65,071.29**

12. **List of statutory dues outstanding for a period of more than 6 months from the duedate**

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

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13. Contingent liabilities and other commitments

A. Contingent liability

(Rupees in lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Claims against the company not acknowledged as debts - Income tax demands	851.57	624.12

a. Claims against the company not acknowledged as debts

Sl. No	Name of the statute	Nature of Dues	Tax Demand (In lakhs)	Tax paid (In lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax demands	68.58	51.65	AY 2010-11	Commissioner of Income-tax (Appeals), Kochi
2	Income Tax Act, 1961	Income Tax demands	199.84*	39.96	AY 2013-14	Commissioner of Income-tax (Appeals), Kochi
3	Income Tax Act, 1961	Income Tax demands	270.19*	54.04	AY 2015-16	Commissioner of Income-tax (Appeals), Kochi
4	Income Tax Act, 1961	Income Tax demands	170.38*	34.08	AY 2016-17	Commissioner of Income-tax (Appeals), Kochi
5	Income Tax Act, 1961	Income Tax demands	118.58*	23.72	AY 2017-18	Commissioner of Income-tax (Appeals), Kochi
6	Income Tax Act, 1961	Income Tax demands	227.45	-	AY 2017-18	Honorable High court of Kerala
Total			**1055.02**	**203.45**		

* Of the above, Bank Guarantee in favor of the Commissioner of Income-Tax has been taken for Rs 607.19.

B. Other Commitments

a. Estimated amount of contracts remaining to be executed on capital accounts, net of advances – nil (PY Nil)

b. The capital advance given in the previous FY includes an amount of ₹46.50 lakhs paid to LCode Technologies Pvt. Ltd. for implementing the software product 'Reach NBFC Prosper System'. However, due to the continuous failure of the software during implementation stage and considering the non-responsive attitude of LCode towards the issues raised, the Company has filed termination notice. Currently the case is pending for arbitration proceedings before the Arbitral Tribunal. Kochi.

c. 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 2023.

15. Corporate Social Responsibility (CSR)

(Rupees in lakhs)

Particulars	**Year ended as at 31.03.2023**	**Year ended as at 31.03.2022**
a) **Gross amount required to be spent by the Company during the year**	1,22,05,303.50	1,02,87,199.00
b) **Amount spent during the year**		
- On purposes other than construction/acquisition of any asset		
- Spent	92,70,846.00	77,53,127.00
- Yet to be spent	29,34,457.50	25,34,072.00
Total	**1,22,05,303.50**	**1,02,87,199.00**

(a) Nature of CSR activities:

Healthcare, Education, Rural infrastructure, eradicating poverty

(b) 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

(c) 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.

16. Disclosure regarding auditor's remuneration disclosed under Legal & Professional charges

In addition to auditor's remuneration shown in note 25 other expenses under Auditor's Fees & Expenses, the Company has also incurred remuneration for audit and related statutory

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services performed in connection with public issue of non-convertible debentures. The same is included in note 25 other expenses under Legal & Professional charges.

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 ₹21.76 lakhs had been refunded to the customers during the current FY and ₹.37 Lakhs during last FY. As on 31st March 2023 the outstanding balance is Rs.102.74 Lakhs.

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

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 31.03.2023			As at 31.03.2022	% Variance	Reasons for variance if above 25%
	Numerator	Denominator	Ratio	Ratio		
1. CRAR	79,876.94	3,50,103.70	22.81%	21.65%	1.16%	
2. Tier I CRAR	55,983.82	3,50,103.70	15.99%	18.18%	(2.19%)	
3. Tier II	23,893.12	3,50,103.70	6.82%	3.47%	3.35%	

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CRAR						
4. Liquidity Coverage Ratio	7,683.10	5,494.52	139.8%	365.6%	(225.8%)	The repayments in the next 30 days and High quality liquid asset have been decreased 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) whose title deeds are not held in the name of company during the FY ended 31/03/2023 and 31/03/2022.

23. **Details of Crypto currency or Virtual Currency**
The company has not traded or invested in crypto currency or virtual currency during the FY 31/03/2023 and 31/03/2022.

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 31/03/2023 and 31/03/2022.

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 willful defaulter by any bank or financial institutions or other lender in the financial year ended 31/03/2023 and 31/03/2022.

27. **Relationship with Struck off Companies**
The Company has not have any relation with struck off companies as on 31/03/2023 and 31/03/2022.

28. **Compliance with approved scheme of Arrangements**
The Company does not have active approved scheme of arrangements as on 31/03/2023 and 31/03/2022.

29. **Utilisation of Borrowed fund and share premium**
As part of normal course of business, the Company grants loans 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

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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. **Items of income and expenditure of exceptional nature**
There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2023 and March 31, 2022

32. **Investment in Subsidiaries**
The Company does not have any subsidiary Company and hence this clause is not applicable.

33. **Disclosure on modified opinion, if any, expressed by auditors, its impact on various financial items and views of management on audit qualifications.**

The auditors have expressed an unmodified opinion on the standalone financial statements of the Company for the financial years ended March 31, 2023 and March 31, 2022

34. **Corporate Governance report containing composition and category of directors, shareholding of non-executive directors, etc.**

The corporate governance report containing composition and category of directors, shareholding of non-executive directors is part of the annual report for the financial year ended March 31, 2023.

35. **Auction Details**

The Company auctioned 12,519 loan accounts (March 31, 2022: 31,394) during the financial year and the outstanding dues on these loan accounts were Rs. 60.81 crores (March 31, 2022: Rs. 188.55) till the respective dates of auction. The Company realised Rs. 61.20 crores (March 31, 2022: Rs.180.91) on auctioning of gold jewellery taken as security on these loans. The Company confirms that none of its sister concerns participated in the above auctions

36. **Loans to Directors, Senior Officers and relatives of Directors**

Disclosure pursuant to RBI notification RBI/2022-23/29 DOR.CRE.REC.No.25/ 03.10.001 /2022-23 dated April 19, 2022.

Particulars	Aggregate amount of such sanctioned loans and advances	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

37. Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

38. Whistle- blower Complaints

There were 5 whistle blower complaints received by the Company during the financial year ended March 31, 2023 and all were resolved during the year itself.

39. Discontinued Operations

The Company had no discontinued operations during the financial year ended March 31, 2023 and March 31, 2022

40. Breach of covenant

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2023 and March 31, 2022.

41. Unhedged foreign currency exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2023 and March 31, 2022.

42. Undisclosed income

There are no transactions not recorded in the books of accounts for the financial years ended March 31, 2023 and March 31, 2022

43. Events after reporting date

The Company had applied for right issue of CIAL amounting to Rs. 125 lakhs during FY 2022-23, out of Share Application the company was allotted a right issue of Rs 71.8 lakhs on 05-05-2023. The excess application money of Rs 53.2 lakhs was credited to bank account on 10-05-2023

44. Previous year figures

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

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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** **
1	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid : Gross Amount**			
	(a)	Debentures: Secured	1,29,384.60	183.50
		: Unsecured (other than falling within the meaning of public deposits*)	14,879.64	89.88
	(b)	Deferred Credits	-	-
	(c)	Term Loans	72,156.17	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits*	-	-
	(g)	Other Loans (specify nature)	-	-
		Subordinated debt	23,988.88	311.41
		Borrowings from banks	81,210.93	-
	** Please see Note 1 below* *** Debenture Matured but Not Claimed*			
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**			
	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where	-	-

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		there is a shortfall in the value of security		
	(c)	Other public deposits	-	-
	** Please see Note 1 below*			
	Assets side		**Amount outstanding**	
3	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**			
	(a)	Secured		3,05,565.10
	(b)	Unsecured		20,713.17
4	**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**			
	(i)	Lease assets including lease rentals under sundry debtors :		
		(a) Financial lease		
		(b) Operating lease		
	(ii)	Stock on hire including hire charges under sundry debtors :		
		(a) Assets on hire		
		(b) Repossessed Assets		
	(iii)	Other loans counting towards AFC activities		
		(a) Loans where assets have been Repossessed		
		(b) Loans other than (a) above		
5	**Break-up of Investments**			
	Current Investments			
	1	Quoted		
		(i) Shares		-
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		-
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-
	2	Unquoted		
		(i) Shares		-
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		-
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-
	Long Term investments			

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	1	Quoted			
		(i) Share			
		(a) Equity			8.73
		(b) Preference			-
		(ii) Debentures and Bonds			-
		(iii) Units of mutual funds			-
		(iv) Government Securities			-
		(v) Others (please specify)			
	2	Unquoted			
		(i) Shares			-
		(a) Equity			971.80
		(b) Preference			-
		(ii) Debentures and Bonds			-
		(iii) Units of mutual funds			-
		(iv) Government Securities			-
		(v) Others (please specify)			
6	**Borrower group-wise classification of assets financed as in (3) and (4) above :**				
	Category		**Amount net of provisions**		
			Secured	**Unsecured**	**Total**
	1	Related Parties			
		(a) Subsidiaries	-	-	-
		(b) Companies in the same group	596.39		596.39
		(c) Other related parties	-	-	-
	2	Other than related parties	3,04,968.71	20,713.17	3,25,681.88
		Less: provisions	1,415.00	464.39	1879.39
		Total	3,04,150.10	20,248.78	3,24,398.88
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	980.53	980.53
		Total	**980.53**	**980.53**
8	**Other information**			
		Particulars		**Amount**
	(i)	Gross Non-Performing Assets		
		(a) Related parties		-
		(b) Other than related parties		1,399.81
	(ii)	Net Non-Performing Assets		
		(a) Related parties		-
		(b) Other than related parties		1214.68
	(iii)	Assets acquired in satisfaction of debt		
	Notes :			
	(1) As defined in point xix of paragraph 3 of Chapter -2 of these Directions.			
	(2) Under Ind AS 109, Provisioning is made as per Expected credit loss model on financial instruments. If provision as per IRACP norms is higher than ECL the difference accounted as impairment reserve instead of Provision for loans			
	(3) All Accounting Standards and Guidance Notes issued by ICAI are applicable including for 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 they are classified as long term or current in (5) above.			

2. Gold and other loan portfolio classification and provisioning of assets:

(Rupees in Lakhs)

Particulars	Gross loan outstanding	Provision for assets	Net loan outstanding
(i) Secured Loans			
A) Gold loans			
a) Standard Assets*	3,03,841.92	1,215.87	3,02,626.05
b) Sub-Standard Assets	247.84	15.69	232.15
c) Doubtful Assets	647.52	40.99	606.53
d) Loss Assets	139.49	8.83	130.66
Total-A	**3,04,876.77**	**1,281.38**	**3,03,595.39**
B) Other loans			
a) Standard Assets*	596.39	91.36	505.03
b) Sub-standard Assets	-	-	-
c) Doubtful Assets	-	-	-
d) Loss Assets	91.93	42.26	49.67

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Total-B	**688.32**	**133.62**	**554.7**
Total-(A + B)	**3,05,565.09**	**1,415.00**	**3,04,150.09**
(ii) Unsecured loans			
A) Other loans			
a) Standard Assets*	20,440.16	387.03	20,053.13
b) Sub-standard Assets	27.65	8.36	19.29
c) Doubtful Assets	245.36	68.99	176.37
d) Loss Assets	-	-	-
Total-A	**20,713.17**	**464.38**	**20,248.79**
Total (i + ii)	**3,26,278.26**	**1,879.38**	**3,24,398.88**

*Includes interest receivable

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

(Rupees in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for diminution in value of investment	-	-

4. **Loan to Value Ratio**

(Rupees in Lakhs)

Particulars	As at 31.03.2023			As at 31.03.2022		
	Outstanding loan amount	Value of the security	%	Outstanding loan amount	Value of the security	%
Gold loan*	3,04,876.78	4,37,488.43	69.69%	2,42,697.48	3,53,434.60	68.67%

*includes interest receivable.

LTV disclosed above is calculated applying the market rate of Gold as on 31.03.2023. 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 31.03.2023	As at 31.03.2022
1. No. of gold loan accounts auctioned	12,519.00	31,394.00
2. Principal amount outstanding as on the date of auction	4,648.27	14,744.16
3. Interest amount outstanding as on the date of auction	1,432.57	4,110.36
Total(2+3)	6,080.84	18,854.52
4. Actual value fetched (in Lakhs)	6,120.37	18,091.12

No sister concerns participated in the auctions during the year ended 31/03/2023 and 31/03/2022

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6. Disclosure of Fraud

A. Frauds reported in FMR

(Rupees in lakhs)

SL NO	BRANCH	DATE OF DETECTION / DATE OF REPORTING TO RBI	AMOUNT (IN LAKH)	MODUS OPERANDI & ACTION TAKEN	RECOVERY (LAKH)	AMOUNT WRITTEN OFF	PROVISION	REMARKS
1	KAVERIPATTINAM	23-06-2022/08-07-2022	16.71	Staff pledged spurious ornaments in the name of customers.	16.02	0	2.17	16.02 Lakhs recovered from the staff. All culprit staff are terminated on 06-01-2023.
2	SRI KALAHASTI	04-07-2022/22-07-2022	29.43	Accused, Sravanthi and Mallikarjuna, stole ornaments from their institution, Fincare Small Finance Bank, and pledged the same in our branch under fictitious customer name in collusion with the BH. Later ornaments were seized by the police on 04/07/2022.	28.68	0.75	0	All culprits are under police custody on the complaint lodged by Fincare and FIR registered in 70/2022. Further our company lodged a complaint against branch manager on 14/07/2022. 28.67 lakhs recovered through insurance and 0.01 lakhs recovered from parties
3	KARUR	06-09-2022/ 19-09-2022	2.28	Thickly gold coated spurious ornaments intentionally pledged by the customer.	0.5	0	1.78	Investigation going on. Complaint registered under CSR No 749/2022.
4	RAMANATHAPURAM	03-10-2022/ 22-10-2022	1.85	Thickly coated other metal filled inside spurious ornaments were pledged	0	0	1.85	Investigation under process.
5	LALBAGH	06-10-2022/ 25-10-2022	1.5	Thickly gold coated spurious ornaments were pledged which are not easily detectable	1.5	0	0	Full amount recovered from the party on 12-12-2022.
6	VASCO	05-12-2022/22-12-2022	1.4	Thickly gold coated spurious ornaments were pledged which are not easily detectable	0	0	1.4	Investigation going on. Complaint registered at Vasco police station
7	KORATEGERE	20-01-2023/ 09-02-2023	1.37	Thickly gold coated spurious ornaments were pledged which	1.37	0	0	Full amount recovered from the party on 11-02-2023

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				are not easily detectable				
8	ARUMUGANERI	27-02-2023/ 17-03-2023	1.55	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	0	0	1.55	The case was forwarded from SP office of Thoothukudi to local police station Arumuganeri and the investigation is going on.
9	THIRUVALLUR	09-03-2023/ 27-03-2023	2.52	Thickly gold coated spurious ornaments were pledged intentionally by the customer.	2.52	0	0	Full amount recovered on 01-04-2023
	Total		**58.61**		**50.59**	**0.75**	**8.75**	

B. Frauds amounting to less than one lakhs

Slno	GL No	Branch	Customer Name	Loan Date	Irregularity	Amount of Irregularity	Loan Amount	GL Status
1	2310	APR-KANITHI ROAD	BARRI RAMA	28-06-2022	Spurious	18195	127000	closed
2	7642	KAR-MURUNAD	THANGAVVA.K.M	25-01-2022	Spurious	62795	62800	closed
3	28615	TML-T.KALLIKULAM	JESU RAVI CHANDRAN	21-06-2022	Spurious	17402	250000	closed
4	23404	TML-KAMUTHI	VIGNESHWARAN	20-05-2022	Spurious	38000	38000	closed
5	9439	TML-KOODAL NAGAR	ARUN VASANTH	18-05-2022	Spurious	34700	34700	closed
6	66302952	TML-SUNDARAPURAM	YUVARAJ.G	15-06-2022	Spurious	35400	35400	closed
7	41292	TML-SPIC NAGAR	ANITHA GANESH	25-04-2022	Spurious	2240	8000	closed
8	8363	TML-ELAKKIAMPATTI	AVINASH B	02-03-2022	Spurious	29997	30000	closed
9	10027	TML-HOSUR-2	VENKATACHALAM G	16-04-2022	Spurious	13600	13600	closed
10	9978	TML-HOSUR-2	IIAVARASI S	01-04-2022	Spurious	14826	35300	closed
11	16234	TML-ALANGULAM	VISWANATHAN.A	05-02-2022	Spurious	2880	8000	closed
12	33006	TML-ARAPPALAYAM	GNANASEKAR A	13-01-2022	Spurious	9891	283500	closed
13	705205355	DLH-UTTAM NAGAR	RADHA RANI	04-08-2022	Spurious	90130	300000	closed
14	31564	KAR-GUNDLUPET	MALLIKARJUNAPPA G S	21-07-2022	Spurious	84096	167496	closed
15	14564	APR-LAXMI NAGAR	ARBAZ KHAN	11-05-2022	Spurious	56528	142000	closed
16	18062	KAR-MANJUNATHA NAGAR	NAGARATHNA N	11-07-2022	Spurious	52284	130200	closed
17	27873	KER-VAWAKAVU	DIVAKARAN NAKULAN	16-07-2022	Spurious	60000	60000	closed
18	5954	KER-CIVIL STATION-CLT	SOORAJ.K	28-06-2022	Spurious	56000	56000	closed
19	10930	TML-ALAGAPURAM	VTERIVEL S	22-07-2022	Spurious	11302	25000	closed
20	35198	TML-ALANGULAM	THANGAKUMAR.R	21-07-2022	Spurious	77110	137000	closed
21	22620	TML-UTHAMAPALAYAM	RATHINAM S	26-07-2022	Spurious	14004	298500	closed
22	9137	TML-THIRUNAGAR COLONY	PREMKUMAR. S	29-07-2022	Spurious	70806	450000	closed
23	21208238	TML-HOSUR-2	ELAVARASI S	14-07-2022	Spurious	13128	31700	closed
24	10599	TML-ARANTHANGI I	RATHNA PRIYANGA MATHAN	28-07-2022	Spurious	46213	288832	closed
25	7437	TML-SHEVAPET	GOBI V	13-06-2022	Spurious	80000	80000	closed
26	66302904	TML-SUNDARAPURAM	ABDUL SALEEM	06-07-2022	Spurious	89709	105900	closed
27	66302909	TML-SUNDARAPURAM	ABDUL SALEEM	06-08-2022	Spurious	93800	93800	closed
28	66302910	TML-SUNDARAPURAM	ABDUL SALEEM	06-08-2022	Spurious	89300	89300	closed
29	43388	TML-THOPPUR	KARIYAPPAN K	06-10-2022	Spurious	50000	50000	closed
30	156	TML-MELAKALKANDARKOTTAI	SURENDRAN	05-11-2022	Spurious	55000	55000	closed
31	16830	TML-BARGUR	SUGUNA	09-12-2022	Spurious	71000	71000	closed
32	69748	TML-KULASHEKARA	M SHAJAHAN	19-12-2022	Spurious	7000	7000	closed
33	69753	TML-KULASHEKARA	M SHAJAHAN	20-12-2022	Spurious	5000	5000	closed
34	10264	TML-KOODAL NAGAR	VELUSAMY.I 9940935475 S/O IYYAN	11-11-2022	Spurious	26000	26000	closed
35	16364	TML-KARIMANGALAM	ARISTATEL.M	03-11-2022	Spurious	79000	79000	closed
36	9168	TML-RAMANATHAPURAM	MOHAMMED IMTHIYAS S	29-07-2022	Spurious	25000	25000	closed
37	9177	TML-RAMANATHAPURAM	MOHAMMED IMTHIYAS S	03-08-2022	Spurious	74000	74000	closed
38	9090	TML-RAMANATHAPURAM	MOHAMMED IMTHIYAS S	23-06-2022	Spurious	56000	56000	closed
39	48037	TML-SANKARANKOVIL	RAVI.S	03-11-2022	Spurious	10000	10000	closed
40	2730	TLG-VINOD MAHAL	ESALLA KRISHNAVENI	13-12-2022	Spurious	43212	390000	closed
41	229	APR-ADDANKI	PATHAN BAJI	06-10-2022	Spurious	88296	90000	closed
42	10103	APR-RAMATALKIES ROAD	MALITHA MANDIRA DURGAPRASAD	23-11-2022	Spurious	41501	59500	closed

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43	11069	APR-SRK PURAM	ANITHA MADDI	08-10-2022	Spurious	40620	44000	closed
44	706205935	KAR-HOSAKOTE	SATHISH N	01-10-2022	Spurious	33168	38000	closed
45	6016	APR-VANASTHALIPURAM	SRAVANTHI GUNTHA	22-08-2022	Spurious	42300	84952	closed
46	9254	GOA-TALEIGAO	SARITA NAMRESH SHIRODKAR	17-11-2021	Spurious	30204	79860	closed
47	33920	APR-KANAJIGUDA	PUSHPA RANI C	17-10-2022	Spurious	75966	125000	closed
48	1210501615	TML-REDHILLS	NAGADEVI	11-03-2023	Spurious	7752	162000	closed
49	66303375	TML-SUNDARAPURAM	MURUGESAN S	19-01-2023	Spurious	22500	22500	closed
50	66303385	TML-SUNDARAPURAM	VANISHWARI M	23-01-2023	Spurious	40991	40991	closed
51	66303471	TML-SUNDARAPURAM	VANISHWARI M	14-02-2023	Spurious	49000	49000	closed
52	14795	TML-AVADI	ANURADHA K	18-03-2023	Spurious	7764	33000	closed
53	14629	TML-AVADI	DHARANI.C	01-02-2023	Spurious	3793	22000	closed
54	15851	TML-KARIMEDU	VINODHINI.B	04-02-2023	Spurious	56111	56111	closed
55	28727	TML-NAGAMALAI	SHANMUGARAJ V.	21-12-2022	Spurious	11000	11000	closed
56	275	TML-KATTUR	PRABAVATHI	21-01-2023	Spurious	7500	7500	closed
57	13366	TML-VILLIVAKKAM	VANITHA KUMAR M B	28-01-2023	Spurious	64997	64997	closed
58	40219	TML-CHERRY ROAD	ARUL SELVAM	21-02-2023	Spurious	99000	99000	closed
59	2868	TML-WGC ROAD	VILMA	20-01-2023	Spurious	3600	9000	closed
60	46084	KER-PUNALUR1	INDIRA BHAI	04-03-2023	Spurious	17500	17500	closed
61	16581	KAR-RC ROAD	SURESHA S O NEELAKANTAIAH	14-12-2022	Spurious	38500	38500	closed
62	16770	KAR-RC ROAD	SWAMY S O BOREGOWDA	04-01-2023	Spurious	37000	37000	closed
63	26947	DLH-NAJAFGARH	SANDHYA SONI	19-01-2023	Spurious	84400	84400	closed
64	3139	APR-ARILOVA	GARIKINA YELLAMMA	12-01-2023	Spurious	11001	15000	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 31.03.2023	As at 31.03.2022
1. CRAR (%)	22.81%	21.65%
2. CRAR- Tier I Capital (%)	15.99%	18.18%
3. CRAR- Tier II Capital (%)	6.82%	3.47%
4. Amount of subordinated debt raised as tier II Capital	20,130.85	7,312.82
5. Amount raised by issue of Perpetual Debt Instrument	-	-

8.2 Investments

(Rupees In lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	980.53	904.58
(b) Outside India,	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	980.53	904.58
(b) Outside India,	-	-

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(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 31.03.2023	As at 31.03.2022
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the 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]	-	-
a) Asset (+)	-	-
b) Liability (-)	-	-
(iii) Credit Exposure [2]	-	-
(iv) Unhedged Exposures	-	-

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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	2022-23	2021-22
(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	2022-23	2021-22
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain /(loss) over net book value	-	-

D. Details of non-performing financial assets purchased / sold: NIL

E. Details of non-performing financial assets purchased

Particulars	2022-23	2021-22
(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	-	-

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F. Details of non-performing financial assets sold

Particulars	2022-23	2021-22
(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*	1,464.30	1,677.41	3,979.08	17,519.29	21,900.34	66,152.62	1,92,856.40	18,732.63	275.50	1,720.70	3,26,278.27
Investments										980.53	980.53
Borrowings	1,088.86	68.92	3,842.84	5,960.80	4,612.92	23,113.69	1,04,660.25	1,08,986.45	55,966.36	13,903.92	3,22,205.01
Foreign Currency assets			-	-	-	-	-	-	-	-	-
Foreign Currency liabilities											

*Includes interest receivable.

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A. Details of financing of parent company products

Company does not have a parent company and hence disclosure is not applicable.

B. 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.

C. Unsecured Advances

(i) Company does not have unsecured advances on intangible securities such as charge over rights, licenses, authorisations etc. as collateral.

(ii) The company has unsecured advances (Micro Finance loan) of Rs. 20713.17 lakhs given to group of women against their joint liability.

8.6 Miscellaneous Disclosures

A. Registration obtained from other financial sector regulators

Financial regulators	Certificate number
Reserve Bank of India	N-16.00175
Securities and exchange Board of India	IN-DP-CDSL-660-2012
Insurance Regulatory and Development Authority of India	CA0122

B. 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)	
Maliakal Jose Paul	Independent Director
M S Rajagopal	
Manoj Kumar R *	Non-Executive Director
Roy M Mathew	Relatives of Key Managerial Personnel
Muthoottu Royal Gold	
Mini Muthoottu Nidhi Kerala Ltd	Entity in which KMP has significant influence.
MM Nirman and Real Estate Pvt Ltd	
Muthoottu Mini Hotels Pvt Ltd	
Muthoottu Mini Theatres Private Limited	
Muthoottu Infotech Pvt Ltd	
Muthoottu Finance & Services Pvt Ltd (Erstwhile Kozhencherry MM Financial Services Pvt Ltd)	
Miilanche	

* Note:

- Mr. Manoj Kumar R was appointed as non-executive director by the members at AGM held on 30/09/2022
- Mr. Manoj Kumar R was appointed as Independent director for a term commencing from 01/04/2023 till 30/09/2026 by the members at EGM held on 24/03/2023

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List of transactions entered with related parties during the current & previous financial year

(Rupees In lakhs)

Particulars	Key Managerial Personnel (KMP)		Director		Relatives of KMP		Entity in which KMP has significant influence	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Salary & Allowances	579.47	543.26	-		-		-	
Sitting fees	-		6.45	7.4	-		-	
Rent/ Maintenance charges	4.74	4.62	-		5.44	4.16	20.62	12.72
Rent Received	-		-		3.59		21.36	21.04
Debenture/subdebt interest	5.65	6.66	-		0.36	0.19	-	
Debenture redeemed	22.7	8.4	-		-		-	
Debenture holdings*	49.12	49.95	-		5		-	
Subdebt Redeemed	4.5	4.5	-		1.12	1.12	-	
Loan Against Property outstanding	-		-		-		596.39	635.62
Interest on Loan against property	-		-		-		86.53	91.63
Principal repayment of Loan against property	-		-		-		39.23	34.14
Payment towards Purchase of materials	-		-		-		26.10	27.43
Diary printing	-		-		-		30.86	61.18
Commission Received	-		-		8.71		-	1.85
Purchase of Gold coin	-		-		-		3.03	1.98
Travelling Expenses	18.37		-		-		-	
IT Consultancy & Support Services	-		-		-		22.23	

*Purchased from secondary market

Charge created on assets of related party

The following entities have extended collateral security and corporate guarantee for theborrowings 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 frombanks

1. Mrs. Nizzy Mathew
2. Mr. Mathew Muthoottu

C. **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 A-/Stable (latest PR dated 16th Aug 2022)	From IND BBB+/Stable Upgraded
India Rating & Research Pvt Ltd	Bank Loan	IND A-/Stable (latest PR dated 16th Aug 2022)	From IND BBB+/Stable Upgraded
CARE	Non-convertible Debentures	CARE A-/Stable (latest PR dated 12th Aug 2022)	From CARE BBB+/Stable Upgraded
CARE	Long Term	CARE A-/Stable (latest PR dated 12th Aug 2022)	-

D. **Remuneration to Non-Executive directors**

(Rupees In lakhs)

Particulars	**2022-23**	**2021-22**
Sitting fees	6.45	7.40
Travel expenses	-	-

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

Particulars	**Rupees In lakhs**
Total Comprehensive Income	6,748.95
Prior Period Items	Nil
Changes in Accounting Policy	-

F. **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.

8.7 Additional Disclosures

A. **Provisions and Contingencies**

(Rupees In lakhs)

Particulars	**2022-23**	**2021-22**
Break up of 'Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	-	-
Provisions for depreciation on Investment	-	-
Provision towards NPA	-42.34	3.47
Provision made towards Income tax	1,374.76	1156.43
Provision for gratuity	130.64	123.69
Provision for Standard Assets	-274.12	665.22

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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)	2,052.37
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	0.63%

(iii) Concentration of Exposures

Particulars	Rupees In lakhs
Total Exposure to twenty largest borrowers/customers	2,052.37
Percentage of Exposure to twenty largest borrowers/customers to Total exposure of the NBFC borrowers/customers	0.63%

(iv) Concentration of NPA

Particulars	Rupees In lakhs
Total Exposure to top four NPA Accounts	230.35

D. Movement of NPAs

(Rupees In lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
(i) Net NPAs to Net Advances (%)	0.37%	0.52%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	1,526.35	1,721.16
(b) Additions during the year	363.67	499.83
(c)Reductions during the year	490.21	694.63
(d) Closing balance	1,399.81	1,526.36
(iii) Movement of Net NPAs		
(a) Opening balance	1,298.88	1,497.16
(b) Additions during the year	319.55	417.25
(c)Reductions during the year	403.73	615.52
(d) Closing balance	1,214.70	1,298.89
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	227.47	224.00
(b) Provisions made during the year	44.12	82.58
(c)Write-off / write-back of excess provisions	86.47	79.11
(d) Closing balance	185.12	227.47

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E. Off-Balance Sheet SPVs sponsored

Company has not sponsored any off Balance Sheet SPVs

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 classifications per IndAS 109	Gross Carrying Amount asper 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	3,16,459.63	1,642.32	3,14,817.31	1,268.06	374.26
	Stage 2	8,418.83	51.94	8,366.89	37.44	14.50
Subtotal		**3,24,878.46**	**1,694.26**	**3,23,184.20**	**1,305.50**	**388.76**
Non-Performing Assets (NPA)						
Substandard	Stage 3	278.14	24.82	253.31	41.25	-16.42
Doubtful - up to 1 year	Stage 3	212.25	43.87	168.38	153.89	-110.02
1 to 3 years	Stage 3	233.13	33.33	199.80	129.97	-96.64
More than 3 years	Stage 3	536.80	74.27	462.53	277.23	-202.96
Subtotal for doubtful		1260.32	176.30	1084.02	602.34	-426.05
Loss	Stage 3	139.49	8.83	130.66	139.49	-130.66
Subtotal for NPA		**1,399.81**	**185.13**	**1,214.69**	**741.84**	**-556.71**
Total	Stage 1	3,16,459.63	1,642.32	3,14,817.31	1,268.06	374.26
	Stage 2	8,418.83	51.94	8,366.89	37.44	14.50
	Stage 3	1,399.81	185.13	1,214.69	741.84	-556.71
	Total	**3,26,278.27**	**1,879.39**	**3,24,398.88**	**2,047.34**	**-167.95**

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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	19	1,44,704.55	NA	44.91%

*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
1,01,837.92	31.61%

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 IssueNCD	1,28,846.01	39.99%
2	Unsecured Public Issue NCD	14,879.64	4.62%
3	Subordinated debt	24,300.29	7.54%
4	Term Loan	72,156.17	22.39%
5	Working Capital Loan	81,210.93	25.20%
6	**Total**	**3,21,393.04**	**99.75%**

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.

* Amount includes interest accrued on the same

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	0.53%
6	Other short-term liabilities as a % total liabilities	0.63%

10.6 Institutional set-up for liquidity risk management

The Company has constituted Risk Management Committee of the Board 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 processto identify the risk, to measure the potential impact and proactively manage these risksand 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

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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, 2023 (₹ in lakhs)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of Quarter ended 31 December,2022	Of (A), aggregate debt that slipped into NPA during the Quarter	Of (A), amount written off during the Quarter	Of (A), amount paid by the borrowers during the Quarter	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the year 31 March,2023
	(A)	(B)	(C)	(D)	(E) *
Personal loans	252.23	88.75	-	106.27	57.21
Corporate loans	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	252.23	88.75	-	106.27	57.21

*represents the closing balance of loan accounts as on March 31, 2022

12. Disclosure in Financial Statements in pursuant to the circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022:

SECTION I

A. EXPOSURES

1. Exposure to Real Estate Sector **(Rupees In lakhs)**

Category	As at 31.03.2023	As at 31.03.2022
I) Direct Exposure		
(a) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borroweror that is rented	91.93	91.93
(b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, landacquisition, development and construction, etc.). Exposure shall also include non-fund based limits	596.39	635.62

(c) Investments in Mortgage Backed Securities(MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
II) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.		
Total Exposure to Real Estate Sector	688.32	727.55

2. **Exposure to Capital Market**

Category	As at 31.03.2023	As at 31.03.2022
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	980.53	904.58
(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 unitsof 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 primarysecurity 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 andmarket makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter'scontribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expectedequity flows / issues;	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(xi) Financing to stockbrokers for margin trading		
(x) All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III		

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Total Exposure to Capital Market	980.53	904.58

3. **Sectoral exposure**

Sector	As at 31st March 2023			As at 31st March 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	**Gross NPAs (₹ crore)**	**Percentage of NPAs to Total Advances in that sector**	**Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)**	**Gross NPAs (₹ crore)**	**Percentage of NPAs to Total Advances in that sector**
Agriculture & allied activities			-			
MSME			-			
Corporate borrowers			-			
Services			-			
Personal Loan						
(i) Gold Loan	3048.77	10.35	0.34%	2426.97	10.57	0.43%
(ii) Microfinance Loans	207.13	2.73	1.32%	64.35	3.78	5.87%
(iii) Loan against property	6.88	0.92	13.36%	7.28	0.92	12.64%
Auto loans			-			
Other personal loans						

*In the disclosures as above, if within a sector, exposure to a specific sub-sector/industry is more than 10 per cent of Tier I Capital of a NBFC, the same shall be disclosed separately within that sector. Further, within a sector, if exposure to specific sub-sector/industry is less than 10 per cent of Tier I Capital, such exposures shall be clubbed and disclosed as "Others" within that sector.

4. **Intra Group Exposures**

Top 20 Intra group exposure as on 31.03.2023 are:

Sl.No	Customer	Exposure o/s as on 31.03.2023 (in crores)	% of exposure on total exposure of the NBFC
	Muthoottu Mini Hotels Limited	5.96	0.18%

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	Total	**5.96**	

B. RELATED PARTY TRANSACTIONS

Particulars	**Key Managerial Personnel (KMP)/Directors**		**Relatives of Director/KMP**		**Entity in which KMP/relatives of KMP has significant influence**	
	March 31, 2023	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
Maximum Outstanding During the year						
Borrowings						
A. Debentures outstanding						
Mathew Muthoottu	19.20	18.20				
Nizzy Mathew	41.75	36.75				
B. Subordinate Debt outstanding						
Mathew Muthoottu	4.50	4.50				
Nizzy Mathew	-	-				
Roy M Mathew			6.12	6.12		
Deposits						
Advances						
A. Loan Against property					635.62	669.76
Investments						
Outstanding During the year						
Borrowings						
A. Debentures outstanding						
Mathew Muthoottu	10.00	18.20				
Nizzy Mathew	39.11	31.75				
B. Subordinate Debt outstanding						
Mathew Muthoottu		4.50				
Nizzy Mathew						
Roy M Mathew			5.00	6.12		
Deposits						
Advances						
A. Loan Against property					596.39	635.62
Investments						
Interest Paid						
A. Interest on Debenture/Subdebt	5.65	6.66	0.36	0.19		
Interest Received						
A. Loan Against property					86.53	91.63
Others						
Salary & Allowances	579.47	543.27	-		-	

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*Specify item if total for the item is more than 5 per cent of total related party transactions. Related parties would include trusts and other bodies in which the NBFC can directly or indirectly (through its related parties) exert control or significant influence

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C. DISCLOSURE OF COMPLAINTS

1. Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr.No		Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers			
1		Number of complaints pending at beginning of the year	-	
2		Number of complaints received during the year	6	
3		Number of complaints disposed during the year	6	
	3.1	Of which, number of complaints rejected by the NBFC	NIL	
4		Number of complaints pending at the end of the year	-	
	Maintainable complaints received by the NBFC from Office of Ombudsman			
5		Number of maintainable complaints received by the NBFC from Office of Ombudsman	6	7
	5.1	Of 5,number ofcomplaints resolved in favour of the NBFC by Office of Ombudsman	6	7
	5.2	Of 5,number ofcomplaints resolved through conciliation /mediation / advisories issued by Office of Ombudsman		
	5.3	Of 5,number ofcomplaints resolved after passing of Awards by Office of Ombudsman against the NBFC		
6*		Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombuudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

2. Top 5 ground of complaints received by the NBFC from Customers:

Grounds of complaints (ie, complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, Number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Loans & Advances		2			
Facilities to customers visiting the office / adherence to prescribed		2			

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working hours					
Others		2			
Ground - 4					
Previous Year					
Ground - 1					
Ground - 2					
Ground - 3					
Ground – 4					

SECTION II

A. CORPORATE GOVERNANCE

1) Composition of the Board

Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mathew Muthoottu	07/03/2008	MANAGING DIRECTOR	01786534	7	7	9	264 LPA	0	0	1,47,79,912
2	Nizzy Mathew	18/03/1998	CHAIRMAN & WHOLE TIME DIRECTOR	01680739	7	7	9	180 LPA	0	0	33,54,446
3	MJ Paul	18/11/2019	INDEPENDENT DIRECTOR	07218120	7	7	1	0	1,75,000	0	0
4	MS Rajagopal	08/10/2018	INDEPENDENT DIRECTOR	08114376	7	7	0	0	3,15,000	0	0
5	Manoj Kumar R	01/10/2021	NON-EXECUTIVE DIRECTOR	09357326	7	7	0	0	1,55,000	0	0

Details of change in composition of the Board during the current financialyear (2022-2023).

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/	Nature of change (Resignation, appointment)	Effective date

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		Promoter nominee/ Independent)		
1.	Manoj Kumar R DIN: 09357326	Non-Executive Director	Regularization of appointment from additional Director to Non-executive Director	Appointment at AGM held on 30-09-2022 and effective from the same date
2.	Manoj Kumar R DIN: 09357326	Independent Director	Appointment as Independent Director for the period commencing from 01-04-2023 to 30-09-2026.	Appointment at the EGM held on 24-03-2023 effective from 01-04-2023

Details of change in composition of the Board during the previous financialyear (2021-2022).

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date
1.	John V George	Additional Director	Cessation of period of appointment at AGM	30-09-2021

Relationship between Directors

Except as stated below, none of our Directors are related to each other:

Sr. No.	Name of the Director	Designation	Relationship with other Directors
1.	Nizzy Mathew	Chairman and Wholetime Director	Mother of Mathew Muthoottu
2.	Mathew Muthoottu	Managing Director	Son of Nizzy Mathew

2. Committees of the Board and their composition

1. AUDIT COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	MJ Paul	18-11-2019	Chairman (Independent Director)	4	4	0
2.	MS Rajagopal	09-10-2020	Member (Independent Director)	4	4	0
3	Mathew Muthoottu	24-04-2009	Member (Managing Director)	4	4	1,47,79,912

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2. NRC COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	MJ Paul	18-11-2019	Chairman (Independent Director)	3	4	0
2	MS Rajagopal	08-10-2018	Member (Independent Director)	3	4	0
3	Manoj Kumar R	01-10-2021	Member (Independent Director)	3	4	0

3. DEBENTURE COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	MS Rajagopal	09-10-2020	Chairman (Independent Director)	1	1	0
2.	Mathew Muthoottu	10-12-2013	Member (Managing Director)	1	1	1,47,79,912
3	Nizzy Mathew	10-12-2013	Member (Whole time Director)	1	1	33,54,446

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4. STAKEHOLDERS RELATIONSHIP COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	MS Rajagopal	09-10-2020	Chairman (Independent Director)	3	Yes	0
2.	Mathew Muthoottu	10-12-2013	Member (Managing Director)	3	Yes	1,47,79,912
3	Nizzy Mathew	10-12-2013	Member (Whole time Director)	3	Yes	33,54,446

5. RISK MANAGEMENT COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	MS Rajagopal	09-10-2020	Chairman (Independent Director)	4	Yes	0
2.	Mathew Muthoottu	22-04-2013	Member (Managing Director)	4	Yes	1,47,79,912
3	Nizzy Mathew	22-04-2013	Member (Whole time Director)	4	Yes	33,54,446

6. INVESTMENTS AND BORROWINGS COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	MS Rajagopal	1-10-2021	Chairman (Independent Director)	19	Yes	0
2	Mathew Muthoottu	1-10-2021	Member (Managing Director)	19	Yes	1,47,79,912
3	Nizzy Mathew	1-10-2021	Member (Whole time Director)	19	Yes	33,54,446

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7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Rajagopal M.S.	09-10-2020	Chairman Independent Director	5	5	0
2	Mathew Muthoottu	10-04-2014	Member Managing Director	5	5	1,47,79,912
3	Nizzy Mathew	10-04-2014	Member Whole time Director	5	5	33,54,446

3. General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings.- FY 2022-23

	Type of Meeting (Annual/Extra-Ordinary)	Date and Place	Special Resolutions Passed
1	Annual General Meeting	30th of September 2022 at the Registered Office of the Company at 65/623 K Muthoottu Royal Towers, Kaloor, Kochi, Ernakulam, Kerala-682017	1. Appointment of Mr. Manoj Kumar R as a Non- Executive Director
2	Extra-Ordinary General Meeting	1. 29th June, 2022 at 11.00 AM at the Registered Office of the Company at 65/623K, Muthoottu Royal Towers, Kaloor, Kochi, Ernakulam-682017	1. Approval of related party transactions under section 188 of the Companies Act 2013-Corporate Guarantee/collateral security from Muthoottu Mini Hotels Private Limited . 2. Approval of related party transactions under section 188 of the Companies Act 2013-Corporate Guarantee/Collateral security from Muthottu Mini Theaters Private Limited

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	Extra Ordinary General Meeting	December, 2022 at 11.00 AM at the Registered Office of the Company at 65/623K, Muthoottu Royal Towers, Kaloor, Kochi, Ernakulam-682017.	1.To approve the overall Borrowing Limits u/s 180(1)(c) of the Companies Act, 2013 2. To seek approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the Company
	Extra Ordinary General Meeting	March 24, 2023, at 11.00 am at at the Registered Office of the Company at 65/623K, Muthoottu Royal Towers, Kaloor, Kochi, Ernakulam-682017.	1.Adoption of amended article no. 128 of article of association of the company in oder to align the same interalia with respect to the change in the amended SEBI (ILNCS)(amendment) regulations 2023- Nominee Director 2. Appointment of Mr. Manojkumar R (DIN: 09357326) as independent director

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

NIL

5. Details of penalties and strictures

Sr. No.	FY	Com- pliance Require- ment (Regu- lations/ circulars/guide- lines including specific clause)	Regu- lation/ Circular No.	Deviations	Action Taken by	Type of Action	Details ofViolation	Fine Amount	Obser- vations/ Remarks of the Practicing Company Secretary	Man- age- ment Re- sponse	Re- marks

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1	2022-23	Regulation 50(2)	Regulation 50(2)	Delayed Compliance	BSE	Fine	Delay in furnishing intimation about meeting of shareholders	5900	The Company has paid the fine & intimated the same to BSE.	The Company has paid the fine & intimated the same to BSE.	NA
2	2022-23	Regulation 53(2)	Regulation 53(2)	Delayed Compliance	BSE	Fine	Delay in submission of annual report within the period prescribed.	16520	The Company has paid the fine & intimated the same to BSE.	The Company has paid the fine & intimated the same to BSE.	NA
3	2022-23	Regulation 57(4)	Regulation 57(4)	Delayed Compliance	BSE	Fine	Delay in submission of details of interest payable obligations during the quarter.	1180	The Company has paid the fine & intimated the same to BSE.	The Company has paid the fine & intimated the same to BSE.	NA

B. DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING

The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2023, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

SECTION III

As per the SBR framework issued by Reserve Bank, Section III to the above circular applicable only for the NBFC classified as Upper Layer. The company is not an upper layer company hence the same shall be not applicable.

13. Disclosure on Loan against Gold vide RBI notification DNBS.CC.PD.No.265/03.10.01 /2011-12 dated March 21, 2012

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Asset under Management (on books)	3,26,278.27	2,49,860.46
Total Loan against Gold	3,04,876.78	2,42,697.48
Percentage of Gold Loan on Total Assets (on book)	93.44%	97.13%

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Ramdas & Venugopal
Chartered Accountants
No. 7A, Green Park, Near Daya Hospital
Thiruvambady P.O., Thrissur 680 022

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 inaccordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are furtherdescribed 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 Codeof 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.

Head Office : Thrissur

Partners:
M.Ramdas, FCA
T.T. Shajan, FCA, DISA(ICAI)
Silpa Shajan, FCA, DISA, DIRM(ICAI)

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

Branh Offices :
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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 detecta 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:

RAMDAS & VENUGOPAL * THRISSUR-22 * CHARTERED ACCOUNTANTS

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 Bankof 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.

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

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 ourinformation 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.

PLACE: Thrissur
DATE : May 20, 2022

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

For RAMDAS & VENUGOPAL
Chartered Accountants
FRN : 010669S

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

Ramdas & Venugopal
Chartered Accountants
No. 7A, Green Park, Near Daya Hospital
Thiruvambady P.O., Thrissur 680 022

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.

Head Office : Thrissur

Partners:
M.Ramdas, FCA
T.T. Shajan, FCA, DISA(ICAI)
Silpa Shajan, FCA, DISA, DIRM(ICAI)

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

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(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	
Total	**4032**	**1526.34**	**0.00**	**1526.34**	

(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 heen 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.

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

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

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

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

RAMDAS VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

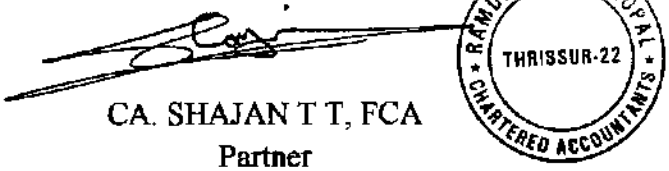
xix. According to the information and explanations given to us and based on our examination of the records of the Company, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial 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.

For RAMDAS & VENUGOPAL
Chartered Accountants
FRN : 010669S



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

Place : Thrissur
Date : May 20,2022

Ramdas & Venugopal
Chartered Accountants
No. 7A, Green Park, Near Daya Hospital
Thiruvambady P.O., Thrissur 680 022

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 douhtful 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

Head Office : Thrissur

Partners:
M.Ramdas, FCA
T.T. Shajan, FCA, DISA(ICAI)
Silpa Shajan, FCA, DISA, DIRM(ICAI)

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

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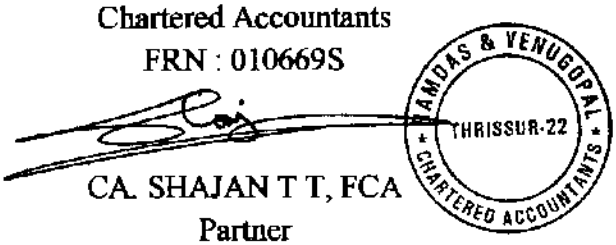
E. mail : **randvtcr@yahoo.co.in**

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



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

Place : Thrissur
Date : May 20, 2022

Ramdas & Venugopal
Chartered Accountants
No. 7A, Green Park, Near Daya Hospital
Thiruvambady P.O., Thrissur 680 022

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 anaudit 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, materia

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

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

RAMDAS & VENUGOPAL * CHARTERED ACCOUNTANTS * THRISSUR-22

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

MUTHOOTTU MINI FINANCIERS LIMITED
CIN: U65910KL1998PLC012154
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)
I. ASSETS			
1 *Financial assets*			
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
2 Non-financial Assets			
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
Total Assets		**3,23,080.26**	**2,52,348.05**
II. *LIABILITIES AND EQUITY*			
LIABILITIES			
1 Financial Liabilities			
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
2 Non-financial Liabilities			
a) Provisions	12	470.70	156.65
b) Other non-financial liabilities	13	295.62	329.75
3 EQUITY			
a) Equity share capital	14	24,952.54	24,952.54
b) Other equity	15	30,817.62	26,380.81
Total Liabilities and Equity		**3,23,080.26**	**2,52,348.05**

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizzy Mathew (DIN:01680739)
Whole-time Director

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

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

MUTHOOTTU MINI FINANCIERS LIMITED
CIN: U65910KL1998PLC012154
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)
	Revenue from operations			
(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)	**Total Revenue from operations**		**42,895.20**	**36,821.75**
(II)	Other Income	19	129.39	3.63
(III)	**Total Income (I + II)**		**43,024.59**	**36,825.38**
	Expenses			
(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)	**Total Expenses (IV)**		**37,082.12**	**31,500.93**
(V)	**Profit before tax (III- IV)**		**5,942.47**	**5,324.45**
(VI)				
	Tax Expense:			
	(1) Current tax		1,156.43	928.10
	(2) Earlier years adjustments			
	(3) Deferred tax		156.64	1,205.21
(VII)	**Profit for the year (V- VI)**		**4,629.40**	**3,191.14**
A)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss - Remeasurement of defined benefit plans - Fair value changes on equity instruments through other comprehensive income		(271.72)	(25.09)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		79.13	6.98
	Subtotal (A)		**(192.59)**	**(18.11)**
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		-	-
	Subtotal (B)		**-**	**-**
(VIII)	**Other Comprehensive Income (A + B) (VIII)**		**(192.59)**	**(18.11)**
(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

As per our report of even date attached

For Muthoottu Mini Financiers Limited

Mathew Muthoottu (DIN: 1706534)
Managing Director

P.E.Mathai
Chief Executive Officer

Nizzy Mathew (DIN:01680739)
Whole-time Director

Ann Mary George, ACA
Chief Financial Officer

K S Smitha, ACS
Company Secretary

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

CA. Shajan.T.T, FCA
Partner (M.No.211270)
UDIN : 22211270AJHKSK3970

Place: Kochi
Date: 20th May, 2022

MUTHOOTTU MINI FINANCIERS LIMITED * KOCHI 682 017

CASH FLOW STATEMENT
CIN: U65910KL1998PLC012154
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)	
A. Cash Flow from Operating Activities				
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		29,429.12		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
Net Cash Flow from Operating Activity		**-53,839.54**		**-27,473.63**
B. Cash Flow from Investment Activities				
Dividend Income		-		-
Rental Income		117.29		106.21
Sale of Fixed Assets		172.15		19.47
Purchase of Fixed Assets		-353.84		-369.34
Net Cash Flow from Investment Activity		**-64.40**		**-243.66**
C. Cash Flow from Financing Activity				
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
Net Cash Flow from Financing Activity		**66,387.97**		**46,545.45**
Net Increase/(Decrease)in Cash & Cash Equivalents(A+B+C)		12,484.03		18,828.16
Opening Balance of Cash & Cash Equivalents		23,048.70		4,220.54
Closing Balance of Cash & Cash Equivalents		**35,532.73**		**23,048.70**
Components of Cash and Cash Equivalents				
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
		35,532.73		**23,048.70**

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

Mathew Muthoottu (DIN: 1786534)
Managing Director

P.E.Mathai
Chief Executive Officer

Place: Kochi
Date: 20th May, 2022

Nizzy Mathew (DIN:01680739)
Whole-time Director

Ann Mary George, ACA
Chief Financial Officer

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

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

K.S Smitha, ACS
Company Secretary

MUTHOOTTU MINI FINANCIERS LIMITED ★ KOCHI 682 017

MUTHOOTTU MINI FINANCIERS LIMITED
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)
As at the beginning of the period	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	-	-
Balance at the end of current reporting period	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	Debenture Redemption Reserve	Revaluation Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income (Remeasurement of defined benefit plans)	
Balance as at March 31, 2020	**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) Debenture Redemption Reserve			-		-			-
Balance as at March 31, 2021	**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) Debenture Redemption Reserve								-
Balance as at March 31, 2022	**6,300.56**	**7,844.15**	**-**	**350.00**	**16,537.16**	**-**	**-214.25**	**30,817.62**

See accompanying notes to the financial statements

As per our report of even date attached

For Muthoottu Mini Financiers Limited

Mathew Muthoottu (DIN: 1786534)
Managing Director

Nizvy Mathew (DIN:01680739)
Whole-time Director

For Ramdas & Venugopal
Chartered Accountants (FRN.010669S)

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

MUTHOOTTU MINI FINANCIERS LIMITED * KOCHI 682 017

Notes to financial statements

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
Total	**35,532.73**	**23,048.70**

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
Total	**15,124.54**	**7,859.27**

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	-
Total	**38,101.11**	**8,334.36**

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

MUTHOOTTU MINNAM MANAGERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

Note 2: Loans **(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	
(A)						
i) Loans repayable on demand					-	-
ii) Term loans	2,49,860.46				-	2,49,860.46
iii) Leasing					-	-
iv) Factoring					-	-
v) Others					-	-
Total (A) - Gross	**2,49,860.46**					**2,49,860.46**
Less: Impairment loss allowance	2,195.85				-	2,195.85
Total (A) - Net	**2,47,664.61**	-	-	-	-	**2,47,664.61**
(B)						
I) Secured by tangible assets						
Gold Loan	2,42,697.48					2,42,697.48
Loan Against Property	727.55					727.55
Total (I) - Gross	**2,43,425.03**	-	-	-	-	**2,43,425.03**
Less: Impairment loss allowance	1,619.29					1,619.29
Total (I) - Net	**2,41,805.74**	-	-	-	-	**2,41,805.74**
II) Covered by Bank / Government Guarantees						
III) Unsecured						
Microfinance	6,435.43					6,435.43
Total (III) - Gross	**6,435.43**	-	-	-	-	**6,435.43**
Less: Impairment loss allowance	576.56					576.56
Total (III) - Net	**5,858.87**	-	-	-	-	**5,858.87**
Total (B) (I+II+III) - Net						
(C) (I) Loans in India						
i) Public Sector						-
ii) Others	2,49,860.46					2,49,860.46
(C) (II) Loans outside India	-					
Total (C) - Gross	**2,49,860.46**	-	-	-	-	**2,49,860.46**
Less: Impairment loss allowance	2,195.85					2,195.85
Total (C)- Net	**2,47,664.61**	-	-	-	-	**2,47,664.61**

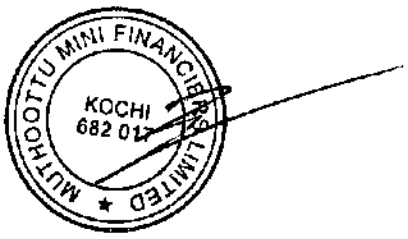
MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

THRISSUR-22

Notes to financial statements

(Rupees in Lakhs)

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					-	-
Total (A) - Gross	**1,99,421.36**					**1,99,421.36**
Less: Impairment loss allowance	1,527.16				-	1,527.16
Total (A) - Net	**1,97,894.20**	-	-	-	-	**1,97,894.20**
(B)						
I) Secured by tangible assets						
Gold Loan	1,93,510.34					1,93,510.34
Loan Against Property	761.69					761.69
Total (I) - Gross	**1,94,272.03**	-	-	-	-	**1,94,272.03**
Less: Impairment loss allowance	1,429.55					1,429.55
Total (I) - Net	**1,92,842.48**	-	-	-	-	**1,92,842.48**
II) Covered by Bank / Government Guarantees						
III) Unsecured						
Microfinance	5,149.33					5,149.33
Total (III) - Gross	**5,149.33**	-	-	-	-	**5,149.33**
Less: Impairment loss allowance	97.61					97.61
Total (III) - Net	**5,051.72**	-	-	-	-	**5,051.72**
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**



Notes to financial statements

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 Oustanding

(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 accured	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 accured	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	224.00	1,527.17
New Assets/increase in Interest accured	4,028.92	-8.05	-	4,020.87
Assets repaid	-3,596.59	-128.07	-79.54	-3,804.20
Transfer from 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	293.32	121.30	-	414.62
Closing carrying amount	1,786.45	181.92	227.48	2,195.85

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

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	**1,968.38**	**1,303.16**
Non-Performing Assets	**As at 31st March 2022**	**As at 31st March 2021**
Sub-standard Assets	81.51	108.90
Doubtful Assets (Upto 1year)	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	**2021-22**	**2020-21**
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

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

Notes to financial statements

Note 3: Investments **(Rupees in Lakhs)**

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

(Rupees in Lakhs)

Particulars	As at March 31, 2021 (Audited)						
	Amortised Cost	At Fair value				At cost	Total
		Through Other Comprehen sive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total		
i) Mutual funds					-		-
ii) Government securities					-		-
iii) Debt securities					-		-
iv) Equity instruments							
Subsidiaries					-		-
Others			4.70		4.70		**4.70**
Total Gross (A)	-	-	**4.70**	-	**4.70**	-	**4.70**
i) Investments outside India					-		-
ii) Investments in India	-	-	4.70		4.70		**4.70**
Total Gross (B)	-	-	**4.70**	-	**4.70**	-	**4.70**
Less: Allowance for impairment loss (C)	-						
Total - Net D = (A) - (C)	-	-	**4.70**	-	**4.70**	-	**4.70**

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

Notes to financial statements

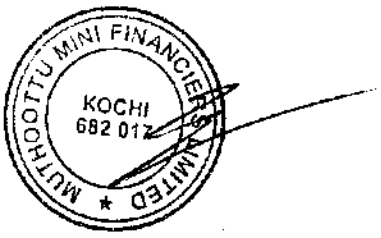
3.1 Details of investments are as follows :-

Equity instruments **(Rupees in Lakhs)**

Particulars	As at March 31, 2022 (Audited)		As at March 31, 2021 (Audited)	
	Number	Amount	Number	Amount
Subsidiaries				
Quoted				
Unquoted				
Subtotal	-	-	-	-
Others				
Quoted				
Wonderla Holidays Ltd	503	1.19	503	0.97
The South Indian Bank Limited	45,020	3.39	45,020	3.73
Unquoted				
Cochin International Airport Ltd	5,00,000	900.00		
Subtotal	**5,45,523**	**904.58**	**45,523**	**4.70**
Total	**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	-	-
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
Total	**2,167.49**	**2,199.78**



Notes to financial statements

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
Gross block- at cost									
As at March 31, 2020	**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)**	-
As at March 31, 2021	**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)**	
As at March 31, 2022	**14,509.62**	**3,352.75**	**812.63**	**1,647.01**	**449.24**	**134.35**	**82.54**	**20,988.14**	-
Accumulated depreciation									
As at March 31, 2020	-	**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)**	
As at March 31, 2021	-	**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)**	
As at March 31, 2022	-	**715.52**	**399.98**	**1,021.90**	**286.44**	**84.80**	**51.13**	**2,559.77**	-
Net Block									
As at March 31, 2020	**14,599.67**	**2,969.52**	**462.06**	**760.64**	**60.43**	**114.53**	**39.66**	**19,006.51**	-
As at March 31, 2021	**14,599.67**	**2,797.51**	**424.62**	**607.39**	**186.05**	**65.56**	**36.11**	**18,716.91**	-
As at March 31, 2022	**14,509.62**	**2,637.23**	**412.65**	**625.11**	**162.80**	**49.55**	**31.41**	**18,428.37**	-

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

THRISSUR-22 CHARTERED ACCOUNTANTS

Notes to financial statements

Note 6: Other Intangible Assets (Rupees in Lakhs)

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

*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

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
Total	**613.39**	**380.82**

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

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

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Notes to financial statements

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			817.46
(ii) Secured, Redeemable NCD Public Issue	1,30,172.63			1,30,172.63
(iii) Unsecured, Privately Placed NCD	-			-
(iv) Unsecured Public Placed NCD	18,062.10			18,062.10
(v) Unclaimed Matured Debentures	197.14			197.14
(vi) Interest accrued on above	12,947.57			12,947.57
(vii) Unamortized expense of public issue	-1,034.43			-1,034.43
Total (A)	**1,61,162.47**			**1,61,162.47**
Debt securities in India	1,61,162.47			1,61,162.47
Debt securities outside India	-			-
Total (B)	**1,61,162.47**	-	-	**1,61,162.47**

(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			1,803.46
(ii) Secured, Redeemable NCD Public Issue	1,06,100.74			1,06,100.74
(iii) Unsecured, Privately Placed NCD	203.75			203.75
(iv) Unsecured Public Placed NCD	9,308.08			9,308.08
(v) Unclaimed Matured Debentures	108.48			108.48
(vi) Interest accrued on above	11,408.60			11,408.60
(vii) Unamortized expense of public issue	-866.29			-866.29
(viii) Debenture Application Money				-
Total (A)	**1,28,066.82**	-	-	**1,28,066.82**
Debt securities in India	1,28,066.82	-	-	1,28,066.82
Debt securities outside India	-	-	-	-
Total (B)	**1,28,066.82**	-	-	**1,28,066.82**

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

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Notes to financial statements

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	0.0925
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	0.0875
14-02-2023	6,629.28	9.50%-9.54%
17-02-2023	2,591.07	10.00%
27-04-2023	2,313.23	0.0884
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%
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	0.1
31-08-2024	1,686.07	10%
12-09-2024	3,878.94	10.35%-10.65%
02-11-2024	2,514.73	0.0975
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%
Total	**1,30,172.63**	

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

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Notes to financial statements

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%
Total	**817.46**	

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- 2020-2021.

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%
Total	**18,062.10**	

8.5 Unclaimed Matured Debentures

The outstanding amount of Unclaimed Matured Debentures as on 31st March 2021 is ₹197.12 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
Total	**197.14**

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

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

Notes to financial statements

Note 9: Borrowings (other than debt securities)

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
(a) Term loan				
(i) from banks				
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
(ii) from financial institutions				
(b) Loans from related party				
(c) Loans repayable on demand				
(i) from banks				
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, Kaloor, Ernakulam	5,114.38			5,114.38
(ii) from financial institutions				-
Total (A)	**77,321.61**	-	-	**77,321.61**
Borrowings in India	**77,321.61**	-	-	**77,321.61**
Borrowings outside India	-			
Total (B)	**77,321.61**	-	-	**77,321.61**

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

THRISSUR-22

Notes to financial statements

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
(a) Term loan				
(i) from banks				
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
(ii) from financial institutions				-
(b) Loans from related party				-
(c) Loans repayable on demand				
(i) from banks				
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				
Total (A)	**36,982.46**	**-**	**-**	**36,982.46**
Borrowings in India	**36,982.46**	**-**	**-**	**36,982.46**
Borrowings outside India	-			
Total (B)	**36,982.46**	**-**	**-**	**36,982.46**

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

Notes to financial statements

9.1 Security Details

Term Loans

a. State Bank of India- Sanctioned Amount ₹80 lakhs - Outstanding . ₹49.69Lakhs (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 Theathers 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 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.

Repayment terms: 57 monthly installments of 44 Lakhs

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

S. VENUGOPAL THRISSUR-22 CHARTERED ACCOUNTANTS

Notes to financial statements

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 * - ₹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) Colleteral-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, Pathanamttita 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 ₹ 3.635.68Lakhs (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)Colleteral-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 - ₹50,000lakhs 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 Guaratntor-Mrs. Nizzy Mathew and Mr. Mathew

MUTHOOTTU MINI FINANCIERS LIMITED KOCHI 682 017

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

Notes to financial statements

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 reecivables 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, Thriruvanathapuram 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 comparised 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 Distric, 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, Thiruvananathapuram 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

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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 Guaranor-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	-			-
Total	**26,587.21**	-	-	**26,587.21**

(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	33,802.18			33,802.18
Subordinated Liabilities outside India	-			-
Total	**33,802.18**	-	-	**33,802.18**

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 outstandiug 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 31st March, 2022	
Interest pay out-Monthly		
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%
Interest pay out- Maturity		
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%
Total	**19,938.91**	

* Excluding interest accrued

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Notes to financial statements

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
Total	**1,472.49**	**1,676.84**

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	
Total	**470.70**	**156.65**

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
Total	**295.62**	**329.75**

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Notes to financial statements

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)
Authorised		
325,00,000 Equity Shares of Rs.100/- each	32,500.00	32,500.00
Issued, subscribed and fully paid up		
249,52,539 Equity shares of Rs. 100/- each fully paid up	24,952.54	24,952.54
Total Equity	**24,952.54**	**24,952.54**

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
As at March 31, 2020	**2,49,52,539**	**24,952.54**
Shares issued during the period	-	-
As at March 31, 2021	**2,49,52,539**	**24,952.54**

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

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%

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.

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
Equity Shares :			
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%	-

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Note 15: Other equity (Rupees in Lakhs)

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

15.1 Nature and purpose of reserve

Statutory 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.

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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
i)Interest on Loans		
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
ii)Interest on deposits with bank	961.02	339.82
Total	**42,262.94**	**36,266.72**

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	-
Total Net gain on fair value changes (C)	**(0.13)**	**1.46**
Fair Value changes:		
- Realised		
- Unrealised	(0.13)	1.46
Total Net gain on fair value changes	**(0.13)**	**1.46**

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
Total	**451.88**	**356.10**

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
Total	**129.39**	**3.63**

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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
Total	**22,365.39**	**19,219.96**

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)
Total	**726.85**	**341.10**

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
Total	**8,454.11**	**7,161.97**

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Notes to financial statements

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

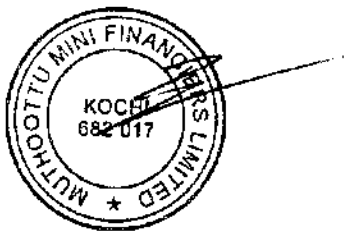
Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
Depreciation of tangible assets	508.95	587.05
Amortization of intangible assets	1.35	0.16
	510.30	**587.21**

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
Total	**5,025.34**	**4,190.69**

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	-
Total	**26.22**	**22.60**



Notes to financial statements

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.

(Rupees in Lakhs)

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
Weighted average number of equity shares for basic earnings per share	2,49,52,539	2,49,52,539
Effect of dilution:		
Weighted average number of equity shares for diluted earnings per share	2,49,52,539	2,49,52,539
Earnings per share:		
Basic earnings per share (₹)	**18.55**	**12.79**
Diluted earnings per share (₹)	**18.55**	**12.79**

MUTHOOTTU MINI FINANCIERS LIMITED

Muthoottu Royal Tower, Kaloor, Kochi, Kerala – 682017

Notes to Financial Statements for the year ended 31st 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.

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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

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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.

Step2 Identify the performance obligations in the contract

Step 3 Determine the transaction price

Step4 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

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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 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.

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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

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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

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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 that 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 measurers 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.

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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 I - 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

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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

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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

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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 ie., 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

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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 dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

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.

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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

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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

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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)]	**1,313.07**	**2,133.31**
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)]	**(79.13)**	**(6.98)**
Retained earnings:		
Current income tax	1,156.43	928.10
Deferred tax	77.51	1,198.23
Income tax expense reported in retained earnings	**1,233.94**	**2,126.33**

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	**1,313.07**	**2,133.31**

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

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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	**294.03**	**371.54**

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)

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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
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	
Muthottu Mini Theatres Private Limited	
Kozhencherry M M Financial Services Pvt Ltd	
Miilanchi	

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*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	-	-	-
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. Muthottu 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

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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
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

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Particulars	Directors				
	John V George	Thomas Cherian	Maliakal Jose Paul	M S 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
Total	**543.26**	**303.14**

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%

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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
Assets measured at fair value on a recurring basis								
Financial investment held for trading	-	-	-	-	-	-	-	-
Equity Shares	4.58	-	900.00	904.58	4.70	-	-	4.70
Total Assets measured at fair value on a recurring basis	**4.58**	-	**900.00**	904.58	**4.70**	-	-	**4.70**
Assets measured at fair value on a non-recurring basis	-	-	-	-	-	-	-	-
Liabilities measured at fair value on a recurring basis								
Derivative financial instruments -Forward contracts	-	-	-	-	-	-	-	-
-Cross Currency Swaps	-	-	-	-	-	-	-	-
Total derivative financial instruments	-	-	-	-	-	-	-	-
Total Liabilities measured at fair value on a recurring basis	-	-	-	-	-	-	-	-
Liabilities measured at fair value on a non-recurring basis	-	-	-	-	-	-	-	-

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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
Financial assets					
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
Other financial assets	3	2,167.49	2,199.78	2,167.49	2,199.78
Total Financial assets		**30,1,393.95**	**2,31,006.65**	**30,1,393.95**	**2,31,006.65**
Financial liabilities					
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
Total Financial liabilities		**2,66,543.78**	**2,00,528.30**	**2,66,543.78**	**2,00,528.30**

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.

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- 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

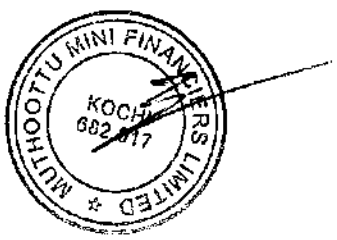
  The floating rate loans are fair valued on the basis of MCLR + spread. For fixed rate loans, the carrying values are a reasonable approximation of their fair value.

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:

(a) 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;

(b) 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

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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

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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 discloses the maximum exposure to credit risk by class of financial asset. They also discloses 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
ASSETS											
Financial assets											
Cash and cash equivalents	35,532.73	35,532.73	35,532.73						35,532.73	-	
Bank Balance other than (a) above	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	
Total	3,03,589.80	3,03,589.80	50,657.27	727.55	-	2,42,697.48	904.58	1,11,392.07	4,06,378.95	8,602.92	2,195.85

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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
ASSETS										
Financial assets										
Cash and cash equivalents	23,048.70	23,048.70	-	-	-	-	-	23,048.70	-	-
Bank Balance other than (a) above	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	-
Total	2,32,533.81	30,907.97	761.69	-	1,93,510.34	4.70	52,440.52	2,77,625.22	7,349.11	1,527.16

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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

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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%

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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
Financial assets									
Cash and cash equivalents	35,532.73	29,677.26	3,771.21	2,084.26					
Bank Balance other than (a) above	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		
Total Financial Assets	3,01,393.95	67,830.33	18,609.35	20,122.01	85,459.81	98,274.67	9,693.73	128.03	1,276.02
Financial Liabilities									
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		
Total Financial Liabilities	2,66,543.78	13,421.95	8,809.38	4,890.39	78,728.75	22,400.84	76,177.34	40,570.67	21,544.46
Net Undiscounted Asset/(Liabilities)		54,408.38	9,799.97	15,231.62	6,731.06	75,873.83	(66,483.61)	(40,442.64)	(20,268.44)

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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
Financial assets									
Cash and cash equivalents	23,048.70	22,573.61	-	475.09	-	-	-	-	-
Bank Balance other than (a) above	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	-	-
Total Financial Assets	**2,31,006.65**	**92,896.53**	**14,753.99**	**5,708.16**	**97,814.16**	**13,588.92**	**5,684.89**	**110.11**	**449.89**
Financial Liabilities									
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	-	-
Total Financial Liabilities	**2,00,528.30**	**1,974.29**	**521.05**	**3,596.22**	**13,196.76**	**52,764.28**	**72,454.58**	**39,756.95**	**16,264.17**
Net Undiscounted Asset/(Liabilities)		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
AS at March 31, 2022								
Income tax demands						624.12		
AS at March 31, 2021								
Income tax demands						607.19		

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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
On Floating Rate Borrowings	**777.00**	**(777.00)**

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
Securitisations		
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
Fair Value of assets	Nil	Nil
Fair value of associated liabilities	Nil	Nil
Net position at Fair Value	Nil	Nil

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RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

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 March31, 2022	Within 12 months	After 12 months
ASSETS			
Financial assets			
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
Non-financial Assets		-	-
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	-
Total Assets	**3,23,080.26**	2,90,909.56	32,170.70
LIABILITIES			
Financial Liabilities			
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
Non-financial Liabilities		-	-
Provisions	470.70	470.70	-
Other non-financial liabilities	295.62	295.62	-
Total Liabilities	**2,67,310.10**	1,29,017.63	1,38,292.47
Net Undiscounted Asset/(Liabilities)		1,61,891.93	(1,06,121.77)

RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

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Particulars	As at March 31, 2021	Within 12 months	After 12 months
ASSETS			
Financial assets			
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
Non-financial Assets		-	-
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	-
Total Assets	2,52,348.05	2,25,142.58	27,205.47
LIABILITIES			
Financial Liabilities			
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
Non-financial Liabilities		-	-
Provisions	156.65	156.65	-
Other non-financial liabilities	329.75	329.75	-
Total Liabilities	2,01,014.70	72,539.00	1,28,475.70
Net Undiscounted Asset/(Liabilities)		1,52,603.58	(1,01,270.23)

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
Total	**1,98,851.46**	**66,523.02**		**(303.19)**	**2,65,071.29**

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	-	-	33802.18
Debt Securities	87,619.46	40,989.60	-	(542.24)	1,28,066.82
Total	**1,52,848.25**	**46,788.35**	-	**(785.14)**	**1,98,851.46**

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

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
Total			**827.57**	**203.45**	**607.19**	

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B. Other Commitments

a. Estimated amount of contracts remaining to be executed on capital accounts, net of advances – nil (PY 108.50 lakhs)

b. 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)

(a) Amount required to be spent by the company during the year,
Total amount = ₹1,02,87,199*

(b) 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)

(c) Shortfall at the end of the year,
Nil

(d) Total of previous years' shortfall

Nil

(e) Reason for shortfall

NA

(f) Nature of CSR activities

Healthcare, Education, Rural infrastructure, eradicating poverty

(g) 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

(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year 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.

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THRISSUR-22

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.

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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 fu*nds) 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.

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MUTHOOTTU MINI FINANCIERS LIMITED
Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017
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**
1	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid : Gross Amount**			
	(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*			
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**			
	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where	-	-

		there is a shortfall in the value of security		
	(c)	Other public deposits	-	-
	** Please see Note 1 below*			
	Assets side		**Amount outstanding**	
3	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**			
	(a)	Secured		2,43,425.03
	(b)	Unsecured		6,435.43
4	**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**			
	(i)	Lease assets including lease rentals under sundry debtors :		
		(a) Financial lease		
		(b) Operating lease		
	(ii)	Stock on hire including hire charges under sundry debtors :		
		(a) Assets on hire		
		(b) Repossessed Assets		
	(iii)	Other loans counting towards AFC activities		
		(a) Loans where assets have been repossessed		
		(b) Loans other than (a) above		
5	**Break-up of Investments**			
	Current Investments			
	1	Quoted		
		(i) Shares		-
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		-
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-
	2	Unquoted		
		(i) Shares		-
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		-
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-
	Long Term investments			

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	1	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)	
	2	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)	

6	**Borrower group-wise classification of assets financed as in (3) and (4) above :**				
			Amount net of provisions		
		Category	**Secured**	**Unsecured**	**Total**
	1	Related Parties			
		(a) Subsidiaries	-	-	-
		(b) Companies in the same group	-	-	-
		(c) Other related parties	635.62		635.62
	2	Other than related parties	2,42,789.41	6435.43	2,49,224.84
		Less: provisions	1,619.29	576.56	2,195.85
		Total	2,41,805.74	5,858.87	2,47,664.61

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	-	-

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		(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 including for 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 they are 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)

Particulars	Gross loan outstanding	Provision for assets	Net loan outstanding
(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
Total-A	**2,42,697.48**	**1,479.66**	**2,41,217.82**
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

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Total–B	**727.55**	**139.64**	**587.91**
Total-(A + B)	**2,43,425.03**	**1,619.30**	**2,41,805.73**
(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
c) Doubtful Assets	163.08	45.92	117.16
d) Loss Assets	-	-	-
Total-A	**6435.43**	**576.55**	**5858.88**
Total (i + ii)	**2,49,860.46**	**2,195.85**	**2,47,664.61**

*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	ModusTaken Operandi & Action	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 (DARGA MITTA)	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

Sl 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-AZHAGIAMANDAPAM	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-KANDAMANGALAM	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-PATTIVEERANPATTI	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-VADAKKANKULAM	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	HUCHCHAIAH	Mar 3 2021	Spurious	65340	80050	closed
25	6996	KAR-KENGERI	USHA D	Mar 31 2021	Spurious	85000	85000	closed

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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- KANCHI	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 BRETTS ROAD	KALPANA .M	14-12-2021	Spurious	80000	80000	closed
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-MOGHALRAJPURAM	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 ESWARAIAH	06-10-2021	Spurious	45932	57500	closed
43	12583	APR-R.S. ROAD	DUDEKULA LAXMI NARASIMHULU	27-09-2021	Spurious	45080	57000	closed
44	7062029 51	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-RAJARAJESHWARI	SIDDARAJU H N	08-09-2021	Spurious	67998	68000	closed
48	3137	KER-	VIJAYAMMA	30-11-2021	Spurious	10915	165200	closed

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RAMDAS & VENUGOPAL CHARTERED ACCOUNTANTS THRISSUR-22

		CHENGAROOR						
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-CHERANMANAGAR	LAKSHMI R	03-01-2022	Spurious	4956	15521	closed
54	9556	TML-KANDAMANGALAM	ANBAZHAGAN KUPPUSAMY	21-01-2022	Spurious	12800	12800	closed
55	6107	TML-KARUMATHAMPATTI	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 Debt Instrument	-	-

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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)	-

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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]	-	-
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	

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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
(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 3years	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
a) Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	91.93	91.93
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits	635.62	669.76
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	727.55	761.69

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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

(i) Company does not have unsecured advances on intangible securities such as charge over rights, licenses, authorisations etc. as collateral.

(ii) 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)	
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.

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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

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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 theyear

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.

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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 In lakhs
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

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9. Disclosure as per the circular no RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated Marcb 13, 2020 issued by Reserve Bank of India on Implementation of Indian Accounting Standards

(Rupees In lakhs)

Asset Classification as per RBI Norms	Asset classific ationas per IndAS 109	Gross Carrying Amount asper Ind AS	Loss Allowances (Provisions) as required under Ind AS109	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		**2,48,334.12**	**1,968.38**	**2,46,365.74**	**1,135.64**	**832.74**
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		**1,526.34**	**227.47**	**1,298.87**	**831.91**	**-604.44**
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	**2,49,860.46**	**2,195.85**	**2,47,664.61**	**1,967.55**	**228.30**

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 connectedor 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 lessReserves 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%
4	Term Loan	27,507.36	10.32%
5	Working Capital Loan	50,192.20	18.84%
6	**Total**	**2,65,428.84**	**99.61%**

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.

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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 processto identify the risk, to measure the potential impact and proactively manage these risksand 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

(₹ 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

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