



Muthoot Mercantile Limited

(A Unit of Muthoot Ninan Group)

Regd. Office: 'MUTHOOT FLOORS', 1st Floor, North Block, Opp. W&C Hospital,
Thycaud, Thiruvananthapuram-695 014. ☎ 0471-2774800 CIN: U65921KL1997PLC011260
e-mail: info@muthootenterprises.com website: www.muthootenterprises.com

INVITATION TO ATTEND THE 28TH ANNUAL GENERAL MEETING

Dear Members/ Directors/ Auditors,

You are cordially invited to attend the 28th (Twenty Eighth) Annual General Meeting of the Company scheduled on Monday, 29th day of September 2025, at 03.00 PM, at the registered office of the Company at 'Muthoot Floors', 1st Floor, North Block, Opposite W & C Hospital, Thycaud, Thiruvananthapuram, Kerala - 695014.

The notice convening the Annual General Meeting is attached herewith.

Yours faithfully,

For Muthoot Mercantile Limited

Mathew Mathaininan
Chairman & Whole-Time Director
DIN: 00063078

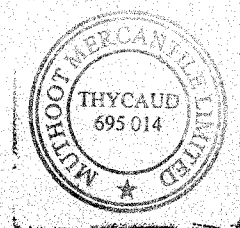


Thiruvananthapuram
03.09.2025



MUTHOOT MERCANTILE LIMITED

ANNUAL REPORT
FOR THE FINANCIAL YEAR 2024-2025



MUTHOOT MERCANTILE LIMITED

CIN: U65921KL1997PLC011260

Corporate Information

Directors

Richi Mathew
Managing Director
DIN: 00224336

Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Ammini Mathew
Whole Time Director
DIN: 00533771

Asha Richi Mathew
Director
DIN: 05172361

Dillark Justin
Independent Director
DIN: 09771752

Antony Robert John
Independent Director
DIN: 10213030

Statutory Auditors

M/s. Varma & Varma
Chartered Accountants
(30.09.2024 to 21.06.2025)

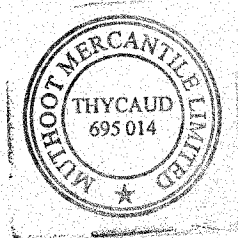
M/s.Mohandas & Associates
Chartered Accountants
(With effect from 11.08.2025)

Secretarial Auditors

M/s. SEP & Associates
Company Secretaries
Address: TC 17/3318 (4),
1st Floor R S Complex,
Oppsite LIC, Pattom,
Trivandrum- 695004

Debenture Trustees

Mitcon Credencia Trusteeship
Services Limited
1402/1403, 14th Floor,
Dalamal Tower, B- Wing,
Free Press Journal Marg,
211, Nariman Point,
Mumbai – 400021





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e-mail: info@muthootenterprises.com website: www.muthootenterprises.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 28th Annual General Meeting of Muthoot Mercantile Limited will be held on Monday, 29th day of September 2025, at 03.00 PM, at the registered office of the Company at 1st Floor, North Block, 'Muthoot Floors', Opposite W & C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014 to transact the following business:

Ordinary Business:

Item No. 1

To adopt the Audited Financial Statements of the Company for the financial year ended on 31st March 2025, together with the report of the Board of Directors and Auditors thereon

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March 2025, and along with notes annexed thereto and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted.”

Item No. 2

To appoint a director in place of Mrs.Ammi Mathew, who retires by rotation and being eligible, offers herself for re-appointment

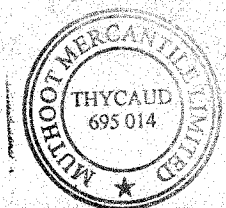
To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mrs.Ammi Mathew who retires by rotation in terms of Section 152 of the Companies Act, 2013 and being eligible be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation.”

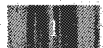
Special Business:

Item No. 3

To consider issuance of Sub-ordinated Debts in the nature of promissory note for the financial year 2025-2026



Muthoot Mercantile Limited | Notice of 28th Annual General Meeting



To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT consent of the Members of the Company be and is hereby accorded to the Board of Directors to issue Sub-ordinated Debts in the nature of promissory note within the borrowing powers of the Company, in multiple tranches for the financial year 2025-2026 and till the date of next Annual General Meeting to be held for the financial year 2025-2026 on such terms and conditions as may be decided by the Board of Directors to such person or persons as the Board may decide.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

Item No. 4:

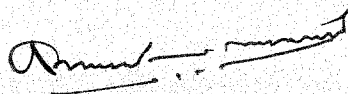
To authorize the Board of Directors to mortgage, create charge on all or any of the assets of the Company

To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

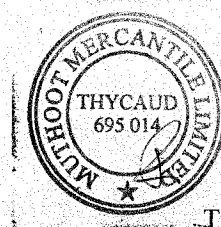
“RESOLVED THAT pursuant to provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease or otherwise dispose of whole or substantially whole of the undertaking of the Company, mortgage and/ or create charge on all or any of the assets and properties both immovable and movable, and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and further to execute the required documents including power(s) of attorney in favour of all or any of the persons, firms, body corporate, banks, financial institutions, trustees, as by and way of security for the due repayment of the sums of money together with interest or other money(ies) due thereon, if any, already borrowed or to be borrowed by the Company there from shall be within the overall limits of the borrowing powers of the Board of Directors of the Company as determined from time to time by the shareholders pursuant to Section 180(1)(c) of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

**For and on behalf of Board of Directors of
Muthoot Mercantile Limited**



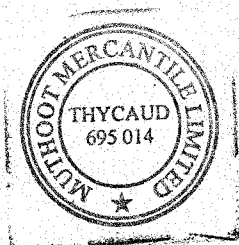
Mathew Mathaininan
Chairman & Whole-Time Director
DIN: 00063078



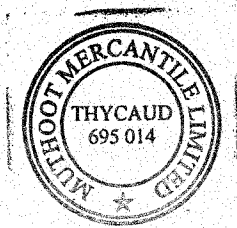
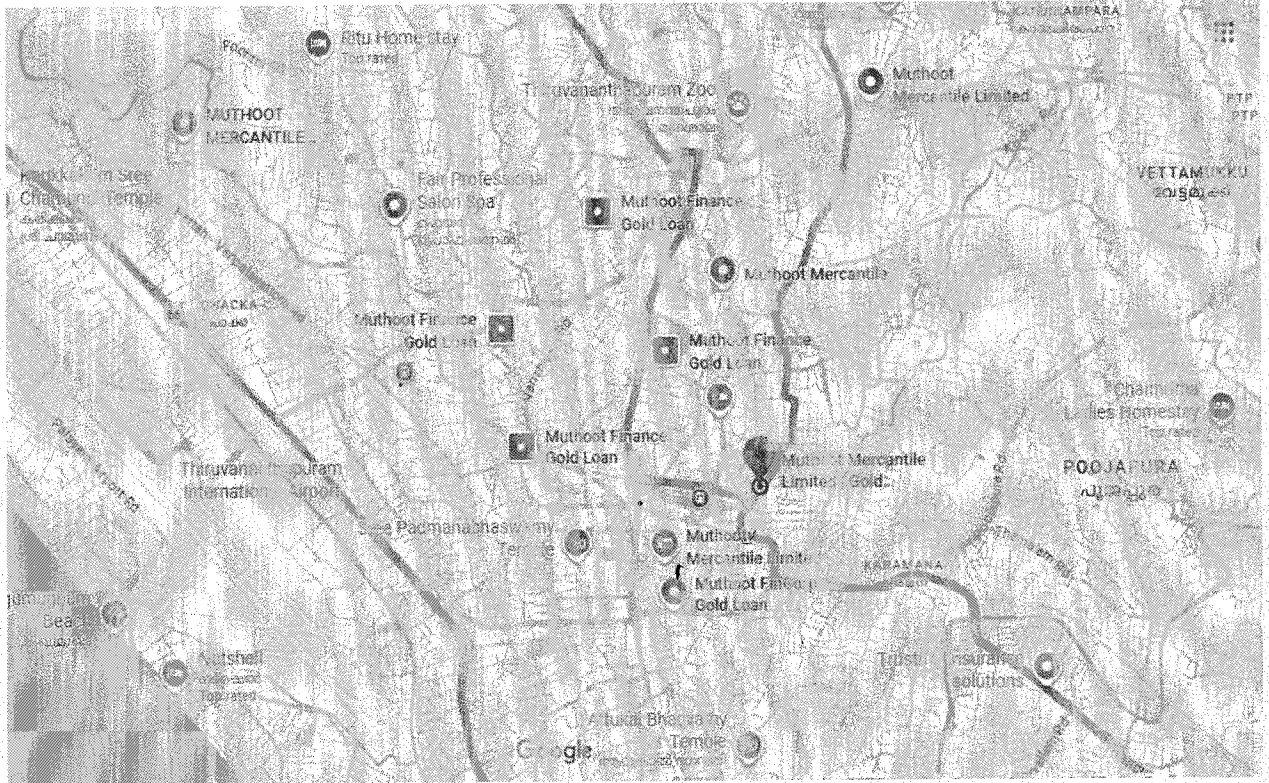
Thiruvananthapuram
03.09.2025

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a Member of the Company. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours (Sunday is included in computation of 48 hours) before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.
2. The notice of AGM, Annual Report, Proxy Form and Attendance Slip are being sent to Members.
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the AGM.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company authorizing their representative to attend and vote on their behalf at the meeting.
5. Members/ proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.



ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING



EXPLANATORY STATEMENT UNDER SECTION 102 OF COMPANIES ACT, 2013

Item No. 03

In order to meet the business requirements of the Company, the Board of Directors of the Company at its meeting held on 03.09.2025, has subject to the approval of Members of the Company in the General Meeting proposed to issue Sub-ordinated Debts in the nature of promissory note on such terms and conditions as may be decided by the Board of Directors to such persons as finalized by the Board of Directors. The amount to be raised by the way of issuance of Sub-ordinated Debts in the nature of promissory note shall be within the borrowing limits of the Company. Consent of Members is therefore sought in connection with the a foresaid issuance of Sub-ordinated Debts in the nature of promissory note during the financial year 2024 -2025 and till the next Annual General Meeting in one or more/ multiple tranches.

The Board recommends the Special Resolution set forth in the notice for approval to the Members of the Company.

None of the Directors, KMP of the Company including their relatives is interested or concerned in the resolution expect to the extent of their shareholding, if any, in the Company.

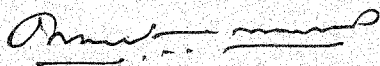
Item No. 04

The consent of Members is sought in accordance with provisions of Section 180 (1) (a) of the act, to enable Board of Directors of the Company to sell, lease or otherwise dispose of whole or substantially whole of the undertaking of the Company, mortgage and/ or create charge on all or any of the assets and properties both immovable and moveable, and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and further to execute the required documents including power(s) of the attorney in favor of all or any of the persons, firms, body corporate, banks, financial institutions, trustees, as by and way of security for the due repayment of the sum of money together with interest or other money (ies) due thereon, if any, already borrowed or to be borrowed by the Company there from shall be within the overall limits of the borrowing powers of the Board of Directors of the Company as determined from time to time by the shareholders pursuant to Section 180 (1) (c) of the Companies Act, 2013.

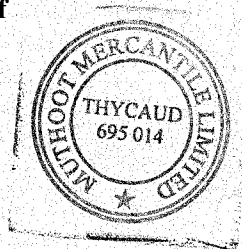
The Board recommends the special resolution set forth in the notice for approval to the Members of the Company.

None of the Directors, KMP of the Company including their relatives is interested or concerned in the resolution except to the extent of their shareholding, if any, in the Company.

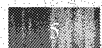
**For and on behalf of Board of Directors of
Muthoot Mercantile Limited**



Mathew Mathaininan
Chairman & Whole-Time Director
DIN: 00063078

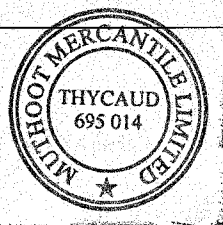


Thiruvananthapuram
03.09.2025



ADDITIONAL INFORMATION OF DIRECTORS AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Name	Ammini Mathew
DIN	00533771
Age & Date of Birth	74; 14.01.1951
Nationality	Indian
Date of First Appointment on the Board	15.07.2007
Qualifications	Degree in English Literature from Calicut University.
Brief Profile	Mrs. Ammini Mathew is the wife of Mr. Mathew Mathaininan, Chairman & Whole-Time Director and mother of Mr. Richi Mathew, Managin Director. She is associated with Muthoot Mercantile Limited since 1998.
Directorship in other Companies	1. Muthoot Computer Software Development and Research Institute Private Limited 2. Muthoot Mercantile Nidhi Limited 3. Muthoot Syndicate Nidhi Limited
Listed entities from which the director has resigned in the past three years	Nil
Chairmanship/ Membership of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Indian Companies of which he/ she is a Director as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Nil
Terms and conditions of appointment or re-appointment	Mrs. Ammini Mathew was re-appointed as Whole-Time Director of the Company w.e.f 05 th September 2023, at the 26 th Annual General Meeting for a period of five years. Present re-appointment of Mrs. Ammini Mathew on retirement by rotation is within the above said period of appointment as Whole-Time Director and hence there is no change in the terms and conditions of appointment.
Details of remuneration sought to be paid	As stated in the terms and conditions of the appointment above.
Details of remuneration last drawn by such person (Financial Year 2024-2025)	₹ 24 Lakh
Relationship with other Directors and Key Managerial Personnel	Mrs. Ammini Mathew is the wife of Mr. Mathew Mathaininan, Chairman & Whole-Time Director. Mrs. Ammini Mathew is the mother of Mr. Richi Mathew and mother-in-law of Mrs. Asha Richi Mathew. Except for the above, none of the other Directors, Key Managerial Personnel and their relatives are related.
Number of Meetings of the Board attended during the financial year 2024-25	17
Shareholding in the Company	1,16,241 equity shares constituting 0.32% of the paid up share capital as on 31.03.2025.



Form No. MGT 11**PROXY FORM**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of
Companies (Management and Administration) Rules, 2014]**

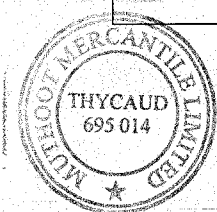
Venue of the meeting	1 st Floor, North Block, 'Muthoot Floors', Opposite W & C Hospital, Thycaud, Thiruvananthapuram, Kerala- 695014
Date & Time	11 th August 2025, 03.00 PM

Name	Reena Varghese
Address	Chempalathra – Velloor P. O, Velloor, Kottayam, Kerala -686003
Client ID	1207580000353418
No. of shares held	54,62,812

I,, resident of, being a Member of Muthoot Mercantile Limited hereby appoint the following as my proxy to attend and vote for me and on my behalf at the Annual General Meeting of the Company to be held on 29th September 2025, 03.00 P M and at any adjournment thereof in respect of such resolution are as indicated below:

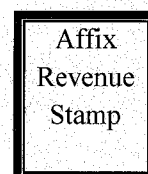
Name	
Address	
Email	
Signature	

Sl. No.	Resolution	For	Against
Ordinary Business:			
1	To adopt the Audited Financial Statements of the Company for the financial year ended on 31 st March 2025 together with the report of the Board of Directors and Auditors thereon		
2	To appoint a director in place of Mrs.Ammi Mathew, who retires by rotation and being eligible, offers herself for re-appointment		



Special Business:			
3	To consider issuance of Sub-ordinated Debts in the nature of promissory note for the financial year 2025-2026		
4	To authorize the Board of Directors to mortgage, create charge on all or any of the assets of the Company		

Signed on this day of

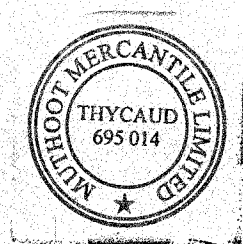


.....
Signature of shareholder

.....
Signature of proxy holder

Notes:

- The Proxy to be effective should be deposited at the Registered office of the Company not less than forty eight hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- 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 vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Member.
- The form of Proxy confers authority to demand or join in demanding a poll.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
- In case a member wishes his/ her votes to be used differently, he/ she should indicate the number of shares under the columns "For" or "Against" as appropriate.



ATTENDANCE SLIP

28th Annual General Meeting

Date: Monday, 29th September 2025 at 03.00 PM

DP ID No. Client ID
Name of First Named Member/ Proxy/ Authorized Representative
Name of Joint Member(s), if any:
No. of Shares held

I/ We certify that I/ We am/ are Member(s)/ proxy for the Member(s) of the Company.

I/ We hereby record my/ our presence at the 28th Annual General Meeting of the Company held on Monday, 29th September 2025 at 03.00 PM at the Registered Office of the Company at 1st Floor, North Block, 'Muthoot Floors', Opposite W & C Hospital, Thycaud, Thiruvananthapuram, Kerala- 695014.

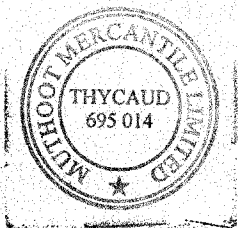
Signature of First holder/ Proxy/ Authorized Representative

Signature of 1st Joint holder

Signature of 2nd Joint holder

Note(s):

1. Please sign this attendance slip and hand it over to the Attendance Verification Counter at the meeting venue.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.





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DIRECTORS' REPORT

Dear Members,

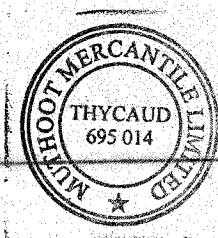
Your Board of Directors is pleased to present the 28th Annual Report of Muthoot Mercantile Limited ('Company') enumerating the business and key operational highlights of the Company along with the Audited Financial Statements and Independent Auditor's Report for the financial year ended 31st March 2025.

1. Financial Summary

The Company's financial performance for the financial year ended 31st March 2025 and corresponding figures for the financial year ended 31st March 2024 are in the following table:

(₹ in Lakh)

Description	Year ended 31 st March 2025	Year ended 31 st March 2024
Revenue from operations	16,407.03	13,119.01
Other Income	235.59	58.90
Gross Income	16,642.62	13,177.91
Total Expenditure (excluding Finance Cost and Depreciation)	4,580.33	3,646.02
Profit Before Finance Cost and Depreciation	12,062.29	9,531.89
Less: Finance Cost	7,297.38	5,374.45
Less: Depreciation	962.19	863.60
Profit Before Tax	3,802.72	3,293.84
Total Tax Expenses (Current and Deferred)	993.79	866.00
Profit After Taxation	2,808.93	2,427.84
Other Comprehensive Income/ (Expense) (Net of Tax)	(45.98)	11.77
Total Comprehensive Income for the period	2,762.95	2,439.61



Muthoot Mercantile Limited | Annual Report for the FY 2024-2025



'MUTHOOT' word mark and the above trade mark are Registered exclusively in the Name of M. Mathew, Chairman, Muthoot Mercantile Limited.

Appropriations		
Transfer to Impairment Reserve	--	157.86
Transfer to Statutory Reserve	561.79	505.92
Earnings Per Share		
Basic (in ₹)	7.71	7.95
Diluted (in ₹)	7.71	7.95

2. Dividend

For the expansion of business and for general corporate requirements, the Board of Directors of your Company has decided that it would be prudent, not to recommend any dividend for the year under review.

3. Transfer to Reserves

Your Board of Directors has transferred an amount of ₹ 561.79 Lakh to the statutory reserve maintained under Section 45 IC of the Reserve Bank of India Act, 1934. Post transfer of profits to reserves, your Board proposes to retain ₹ 9,074.48 in the Retained Earnings.

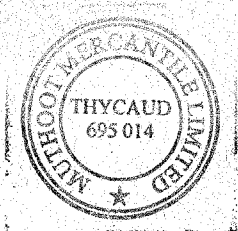
4. Company's Performance

The Company achieved a net profit of ₹ 2,808.93 Lakh for the financial year ended 31st March 2025 as compared to ₹ 2,427.84 Lakh for the financial year ended 31st March 2024, registering an impressive year on year growth of 15.70%, driven by the robust growth in gold loan and onboarding of new customers. Profit before tax was at ₹ 3,802.72 Lakh for the financial year ended 31st March 2025 as compared to ₹ 3,293.84 Lakh for the financial year ended 31st March 2024.

Total income has increased to ₹ 16,642.62 Lakh for the financial year ended 31st March 2025 from ₹ 13,177.91 Lakh for the financial year ended 31st March 2024, primarily on account of increase in Interest income of the Company. Interest income of the Company increased to ₹ 16,307.19 Lakh from the previous year's interest income of ₹ 12,903.59 Lakh, a year on year growth of 26.38%.

5. Brief description and state of Company's affairs

The Company is registered as a non-deposit taking Non-Banking Financial Company (NBFC) pursuant to the Certificate of Registration No. 16.00178 dated 12th December 2002, issued by the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934. With decades of established history in money lending against household and/ or used gold jewellery, the Company is primarily engaged in offering a range of lending products tailored to meet the diverse financial needs of its customers.



During the year under review, the Company has a network of 295 branches across the States of Tamil Nadu, Kerala, Delhi, Haryana, Maharashtra, Madhya Pradesh, Odisha, Punjab, Uttar Pradesh, Rajasthan, West Bengal and Gujarat.

Operational Highlights

(a) Assets Under Management (AUM)

During the period under review, the AUM of the Company stood at ₹ 89,673.47 Lakh as on 31st March 2025 against ₹ 70,227.26 Lakh as on 31st March 2024.

(b) Performance review

The Company is primarily engaged in the gold loan sector lending money against the pledge of household and/ or used gold jewellery primarily to retail customers who require immediate availability of funds. During the year under review, interest income from gold loan business constituted 95.86 % of the total income of the Company. Gold loan portfolio of the Company as of 31st March 2025 comprised approximately 1.60 Lakh customers. The Company has developed various gold loan schemes, which offer variable terms in relation to the amount advanced per gram of gold, the interest rate and the quantum of the loan, to meet different needs of various customers. The gold loan customers are largely individuals from rural, semi-urban areas and metro cities, including, Mumbai and Delhi, who typically require funds for social obligations, emergencies, agriculture-related activities, small scale business operations or consumption purposes.

During the year, the Company further expanded its geographical presence and increasing its footprints by opening new branches and making it more accessible to its customers. Gold loan portfolio yield of the Company for the year under review (representing interest income on gold loan as a percentage of average outstanding at 31st March 2025), was 21.36% annualized.

6. Share Capital

The Authorized, Issued, Subscribed and Paid-up Share Capital of the Company as on 31st March 2025 are as follows:

- (a) Authorised Share Capital: 5,50,00,000 (Five Crore Fifty Lakh) equity shares having face value of ₹ 10/- (Indian Rupees Ten) each amounting to ₹ 55,00,00,000/- (Indian Rupees Fifty Five Crore).
- (b) Issued, Subscribed and Paid-up Share Capital: 43,64,18,747 (Three Crore Sixty Four Lakh Eighteen Thousand Seven Hundred Forty Seven) equity shares having face value of ₹ 10/- (Indian Rupees Ten) each amounting to ₹ 36,41,87,470/- (Indian Rupees Thirty Six Crore Forty One Lakh Eighty Seven Thousand Four Hundred Seventy).

During the financial year, no preferential issue of shares with differential rights as to dividend, voting as otherwise was carried out by the Company. The Company has also not carried out any buyback of its equity shares during the financial year under review.



7. Resource Mobilization/ Fund Raising

(a) Non-Convertible Debentures (NCDs)

The Company has not issued any NCDs through Private Placement during the financial year 2024-25. The Company has raised ₹ 20,707.77 Lakh through Public Issue of NCDs during the financial year.

The Company has been regular in making payments of principal and interest on all the NCDs issued by the Company. There are no NCDs which have not been claimed by investors or not paid by the Company after the date on which the NCDs became due for redemption. The assets of the Company which are available by way of security are sufficient to discharge the claims of the debt security holders as and when they become due.

(b) Sub-ordinated Debts

Subordinated Debts represent long-term source of funds for the Company and the amount outstanding as on 31st March 2025, stood at ₹ 18,708.17 Lakh. Subordinated Debts qualify as Tier II capital under the Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023.

(c) Financing from Banks and Financial Institutions

Financing from Banks and Financial Institutions remains an important source of funding for the Company. Banks and Financial Institutions continued their support to the Company during the financial year. As of 31st March 2025, borrowings from banks and financial institutions stood at ₹ 21,101.09 Lakh.

(d) Debt to Equity ratio (Leverage ratio)

The debt equity ratio of the Company as on 31st March 2025 was 3.96 times. 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 and the debt equity ratio of the Company is within the stipulated limits.

8. Credit Rating

The Company has debt credit ratings as below:

Credit Rating Agency	Instrument	Rating
India Ratings and Research	Non-Convertible Debentures	IND BBB/ Stable
India Ratings and Research	Bank loans	IND BBB/ Stable



9. Internal Audit and Internal Financial Control

The Company has established a robust, comprehensive, and well-documented internal audit and internal control system designed to ensure meticulous compliance across all operational levels. The internal audit function has evolved into a vital pillar of governance, aligned with the scale, complexity, and geographic reach of the Company's business operations. The internal control framework is structured to safeguard and protect the Company's assets, prevent revenue leakages, and ensure the integrity of income streams. It also facilitates accurate and reliable financial reporting, thereby enhancing stakeholder confidence. The Internal Audit function operates as an independent and objective assurance and consulting activity, with adequate authority and organizational standing.

Internal Audit team ensures the quality and safety of pledged assets, evaluates risk management, and mitigates operational vulnerabilities. The Company's internal audit practices are founded on transparency, independence, and accountability, forming a crucial part of its corporate governance.

10. Human Resources

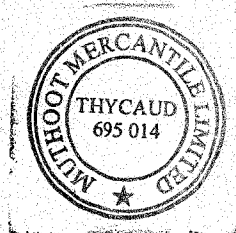
The Company has a work environment that inspires people to do their best and encourages an ecosystem of teamwork and continuous learning. The Company believes that people perform to the best of their capability in organization to which they feel truly associated. The Company focuses on widening organizational capabilities and improving organizational effectiveness by having a competent and engaged workforce. Our people are our partners in progress and employee empowerment has been critical in driving our organizational growth to the next level.

The Company had 1054 employees on the rolls as on 31st March 2025 as compared to 833 as on 31st March 2024.

11. Branch network expansion

The Company is experiencing growth and is continuously expanding its business in various States. The distribution of branches across India as on 31st March 2025 are as follows:

State	No. of branches
Tamil Nadu	14
Kerala	88
Delhi	30
Haryana	10
Maharashtra	45
Madhya Pradesh	17
Odisha	46
Punjab	13
Uttar Pradesh	8
Rajasthan	9
West Bengal	11
Gujarat	4



12. Marketing and Promotion Initiatives

The Company's strategic marketing efforts have always significantly boosted its brand goodwill and equity, evidenced by independent recognition. For a long time, we have made a conscious effort to foster greater social inclusion by supporting and enabling underserved communities. Our continuous marketing and branding initiatives not only communicate our services but also leverage our strengths to build brand equity, enhance brand imagery, and achieve greater brand recall.

13. Capital Adequacy

The Company's Capital Adequacy Ratio as of 31st March 2025 stood at 25.36% of the aggregate risk-weighted assets on the balance sheet and risk-adjusted value of the off-balance sheet items, which is well above the regulatory minimum of 15%. Out of the above, the Tier I capital adequacy ratio stood at 19.04% and the Tier II capital adequacy ratio stood at 6.32%.

14. Public Deposits

The Company being a Non-Deposit taking Non-Banking Finance company, has not accepted any deposits from the public during the year under review.

15. RBI Guidelines

The Company complies with the Master Direction – Reserve Bank of India (Non-Banking Financial Company–Scale Based Regulation) Directions, 2023 and all the applicable laws, regulations, guidelines, etc. prescribed by RBI from time to time.

16. Subsidiaries/ Associates/ Joint Ventures

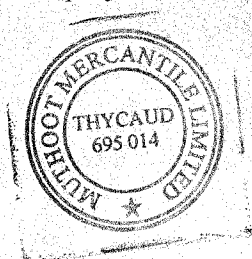
The Company does not have any subsidiary, associate or joint ventures Companies within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013, so the requirement of disclosure as per Rule 8(1) of the Companies (Accounts) Rules 2014 is not applicable on the Company.

17. Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

Pursuant to Section 186(11) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, loans made, guarantees given or securities provided or acquisition of securities by a Non-Banking Financial Company in the ordinary course of its business are exempted from disclosure in the Annual Report.

18. Annual Return

Pursuant to Section 134(3)(a) of the Act, the Annual Return of the Company prepared as per Section 92(3) of the Act for the financial year ended 31st March 2025, is hosted on the website of the Company.



19. Risk Management

Risk management forms an integral element of our business strategy. As a lending institution, we are exposed to various risks that are related to our lending business. Our objective in risk management processes is to appreciate, measure and monitor the various risks we are subjected to and to follow the policies and procedures to address these risk elements strictly in accordance with the directions from the Reserve Bank of India. The Board of Directors has adopted a Risk Management Policy and the Risk Management Committee ('RMC') has overall responsibility for overseeing the implementation of the Risk Management Policy. The RMC reviews the overall risk position and the risk management practices. The major types of risk faced are collateral risk, operational risk, liquidity risk, market risk (which includes interest rate risk) and business cycle risk. As customers approach for gold loans to meet their urgent financial needs, such loans are to be disbursed in the quickest turnaround time, hence, although loans are disbursed in very short period of time we have put in place clearly defined appraisal methods and meticulous KYC compliance procedures to mitigate various operational risks arising out of achieving the quickest turnaround time.

20. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual through various intentions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'), amended as on date. The Company has framed a Policy on Prevention of Sexual Harassment at Workplace in accordance with POSH Act which offers comprehensive protection to all employees.

21. Compliance with Maternity Benefit Act, 1961

The Company demonstrates its commitment to the well-being of its women employees by complying with the provisions of the Maternity Benefit Act, 1961, and offering additional benefits as part of its employee welfare initiatives. This adherence reflects the Company's core values, including sensitivity and integrity towards its workforce. The Company confirms adherence to applicable provisions of the Maternity Benefit Act, 1961, which include protection from dismissal or discharge during absence due to pregnancy or maternity. The Company recognises employees as key stakeholders, and ensures that any employee-related grievances, including those concerning maternity benefits, are handled through an established redressal mechanism and emphasizes a fair, consistent, and rule-abiding process for grievance resolution, to ensure timely and effective handling of all complaints.

22. Corporate Social Responsibility ('CSR')

The Company recognizes CSR as a strategic approach to create shared value and contributing to social and environmental well-being through impactful initiatives. Our endeavour is to focus on



reaching diverse segments of the society, with socially relevant projects, that benefit the communities and cultivates discernible and substantial influence upon the lives of communities confronting economic, physical and social challenges. For the financial year 2024-25, the Company's Corporate Social Responsibility (CSR) initiatives are strategically channeled into pivotal domains, encompassing Healthcare, Livelihood enhancement, and other areas.

The Company is having CSR policy which sets out the objective, areas, activities and the manner in which the expenditure on CSR obligation would be carried out by the Company and the same is available on the website of the Company.

Further, the Annual Report on CSR activities prepared in strict compliance with the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, is appended to this report as Annexure I. The annexure furnishes comprehensive particulars concerning ongoing CSR projects, programs and activities. Detailed information regarding the Corporate Social Responsibility Committee are also separately provided in the Annual Report on CSR activities, annexed to the Board's Report as Annexure I.

23. Particulars of Contracts and Arrangements made with Related Parties

The Board of Directors has duly approved the Policy on Transactions with Related Parties ('RPT Policy'), acting upon the judicious recommendation of the Audit Committee. The core objective of the RPT Policy is to establish robust reporting, approval, and disclosure frameworks for all transactions conducted between the Company and its related parties.

All Related Party Transactions were placed before the Audit Committee for approval of the Committee and the Board, wherever necessary. There were no materially significant related party transactions undertaken by the Company with Promoters, Directors, Key Managerial Personnel, or body corporate(s) that presented a potential conflict with the broader interests of the Company.

Particulars of contracts or arrangements with related parties as referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 and the same forms part of this report as Annexure II. Related party transactions as required under Ind AS are reported in the Note no. 38 to the financial statements of the Company.

24. Vigil Mechanism

The Company has established the Vigil Mechanism as per Section 177 of the Companies Act, 2013 to encourage employees to report suspected legal violations, fraudulent or irregular conduct of an employee or business associate of the Company. Such incidents, if not reported would breach trust and endanger the Company's reputation. The Company endeavors to cultivate an environment characterized by ethical conduct and an absence of unfair practices, establishing the highest standards of integrity for its personnel.



The Company maintains a robust Whistle Blower Policy, which assures protection against victimization, discrimination, or disadvantage for those making such reports. Its fundamental aim is to ensure that all concerns are appropriately raised, subjected to independent investigation, and duly addressed. During the financial year 2024-25, no whistle blower event was reported, the vigil mechanism is functioning well and no employee of the Company was denied access to the Audit Committee.

25. Board of Directors and Key Managerial Personnel

(a) Board of Directors

As on 31st March 2025, the Board of Directors comprises six (6) Directors viz. three (3) Non-Executive Directors out of which two (2) are Independent Directors and one (1) is Non-Executive Director and three (3) Executive Directors out of which two (2) are Whole-Time Directors and one (1) is Managing Director. During the year under review there was no change in the composition of the Board of Directors of the Company.

Mrs. Ammini Mathew, Whole-Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. The Board and the Nomination and Remuneration Committee has evaluated the eligibility criteria of Director seeking re-appointment at the ensuing Annual General Meeting and has recommended the reappointment. Necessary disclosures as required are provided in the notice calling the Annual General Meeting.

The Directors of the Company have confirmed that they satisfy the 'Fit and Proper' Criteria as prescribed under Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023, as amended, and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164(2) of the Act.

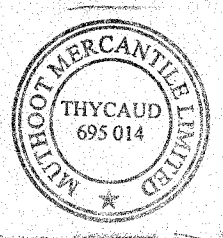
(b) Key Managerial Personnel (KMP)

During the year under review, the following changes took place in the KMP of the Company:

- (i) Ms. Neethu C Biju resigned as Company Secretary with effect from 12th September 2024.
- (ii) Ms. Remya R.S, who was appointed as Company Secretary with effect from 12th September 2024 resigned with effect from 25th February 2025.
- (iii) Mr. Arun Kumar V.K was appointed as Company Secretary with effect from 06th March 2025.

The following changes took place in the composition of the KMP of the Company after the end of the financial year under review and up to the date of the Board Report:

- (i) Mr. Rajeev M.R resigned as Chief Financial Officer with effect from 03rd July 2025.
- (ii) Mr. Bagavath Krishnan V, was appointed as interim Chief Financial Officer from 15th July 2025 to 22nd August 2025.
- (iii) Mr. S. Raghupathy was appointed as Chief Financial Officer with effect from 22nd August 2025.



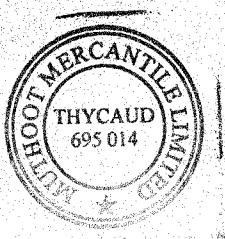
(c) Code of conduct for Board of Directors and Senior Management Personnel

The Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel, in accordance with the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This code reflects the Company's commitment to upholding the highest standards of ethical conduct, integrity, compliance, and accountability. It serves as a guiding framework to reinforce our core values and promote a culture of transparency and responsible governance. During the financial year under review, the Board of Directors and Senior Management Personnel have fully complied with the code.

26. Number of Meetings of the Board

During the Financial Year 2024-25, the Company held 8 (Eight) Board Meetings of the Board of Directors as per Section 173 of Companies Act, 2013, which is summarized as follows:

SN	Date of Board Meeting	Board strength	No. of Directors present
1	22.04.2024	06	06
2	14.05.2024	06	06
3	27.05.2024	06	06
4	29.05.2024	06	05
5	26.06.2024	06	06
6	31.07.2024	06	06
7	14.08.2024	06	06
8	28.08.2024	06	06
9	11.09.2024	06	06
10	03.10.2024	06	06
11	30.10.2024	06	06
12	05.11.2024	06	06
13	14.11.2024	06	06
14	06.12.2024	06	06
15	29.01.2025	06	06
16	13.02.2025	06	06
17	06.03.2025	06	05



27. Declaration from Independent Directors

In accordance with the provisions of Section 149(7) read with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Independent Directors have submitted the necessary declaration of independence, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013. Further, the Independent Directors have affirmed that they have complied with the Code applicable for Independent Directors as stipulated under Schedule IV of the Companies Act, 2013 and have registered their name in the data bank of Independent Directors and paid the relevant fees. In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience of all Independent Directors on the Board.

During the year under review, the Independent Directors had no pecuniary relationship or transactions with the Company other than the sitting fees, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board or Committees of the Company. Further, there has been no change in the circumstances affecting their status as Independent Directors of the Company.

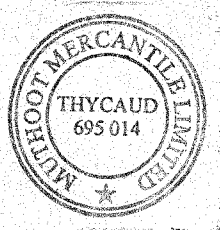
28. Committees of the Board

The Board of Directors of the Company, functions either as full Board, or through various Committees constituted to oversee specific areas of business operations and governance. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees meet at regular intervals, focus on their assigned areas and make informed decisions within the authority delegated to them. As on 31st March 2025, the Board has 9 (nine) Committees, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- IT Strategy Committee
- Asset Liability Management Committee
- Corporate Social Responsibility Committee
- Internal Complaint Committee
- Debenture Allotment Committee
- Stakeholder Relationship Committee

During the year under review, all recommendations made by the committees were accepted by the Board of Directors.

In accordance with the Master Direction – Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023, a detailed report on Corporate Governance forming part



of this Annual Report is annexed herewith as Annexure-II which adheres to Corporate Governance Standards and provides comprehensive information on the various Committees constituted by the Company. The report outlines the composition of each Committee, terms of reference, the frequency of its meetings, the meetings held during the Financial Year under review, and the attendance records for those meetings.

The Composition of Audit Committee pursuant to the Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 and provisions of Section 177 of the Companies Act, 2013 is provided hereunder:

Name of the Committee member	Designation in the Company	Position held in the Committee
Mathew Mathaininan	Chairman and Whole-Time Director	Member
Dillark Justin	Independent Director	Member
Antony Robert John	Independent Director	Member

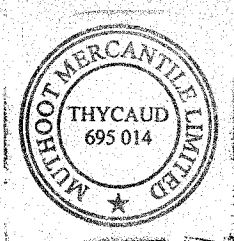
The recommendations of the Audit Committee were duly approved and accepted by the Board during the financial year 2024-25.

29. Policy on Appointment and Remuneration of Directors and Performance evaluation of Board, Committees and Directors

The Board of Directors has adopted a policy of Nomination and Remuneration which includes the criteria for determining qualifications, positive attributes and independence of Directors. Further, the Company has also adopted a 'Fit and Proper' Policy for ascertaining the 'Fit and Proper' criteria of Directors at the time of appointment and on a continuing basis, pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 issued by Reserve Bank of India.

In compliance with the regulatory requirements, the Board carried out an annual evaluation of its own performance, its committees, and of the individual Directors based on criteria and framework adopted by the Board and in accordance with regulations.

The Company believes that for the Board to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the Independent Directors to meet without the presence of the non-independent Directors and executive management. Further, the Companies Act, 2013 and rules made thereunder prescribes that at least one meeting of Independent Directors of the Company shall be conducted without the presence of non-independent Directors and management. It also provides that the Independent Directors shall review the performance of the Board/ Chairperson/ Non-Executive Directors/ Whole-Time Directors which is required to be done at a separate meeting of Independent Directors. During the year, a meeting of Independent Directors was held on Monday, 03rd March 2025 and discussed and deliberated matters specified therein.



30. Corporate Governance

The Company believes that a good corporate governance system is necessary to ensure its long-term success. The Company ensures good governance through the implementation of effective policies and procedures, which are mandated and regularly reviewed by the Board or the Committees of the Board of Directors of the Company. The Company has put in place the Policy on Corporate Governance. The Report on Corporate Governance forms an integral part of this Annual Report and is annexed herewith as Annexure III.

31. Management Discussion and Analysis Statement

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis, which forms an integral part of this Annual Report as Annexure IV. The report discusses in detail the overall industry situation, economic developments, sector wise performance, outlook, risks & concerns, material developments and state of the Company's affairs.

32. Conservation of energy, technology absorption, foreign exchange earnings and outgo

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

(a) Conservation of energy

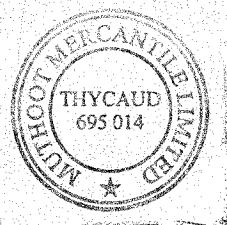
The need for adoption of clean technology, improving end-use efficiency and diversifying energy bases, etc. have all been seriously considered by the Government of India and the country is poised for a considerable increase in the use of renewable energy sources in its transition to a sustainable energy base. The Company being a Non-Banking Finance Company, has no activities involving conservation of energy.

(b) Technology Absorption

The Company has consistently adopted information technology and tools throughout its operational history. This comprehensive deployment of technological capabilities has driven significant transformation, backend infrastructures and enhancing customer-facing experiences. Our established information systems confidently enable us to proficiently manage nationwide operations, effectively engage target customers and control associated risks. The widespread application of information technology across our operational framework has demonstrably improved customer service delivery, optimized operational efficiencies, and strengthened management information systems.

Initiatives taken by the Company in information technology to improve business efficiency, ease of operation, improved risk management practice and providing the best stakeholders experience:

In this fast-changing digital era, the Company is constantly innovating itself provide the right solutions for our diverse clientele, to provide great customer experience and to improve efficiency



of staff. The Company continued its focus on various initiatives during the year providing great customer experience, improved business efficiencies, ease of operations, and effective risk management.

(c) Foreign exchange earnings and outgo during the financial year 2024-25

Particulars	Amount (₹ in Lakh)
Total foreign exchange earned	Nil
Total foreign exchange expended	Nil

33. Auditors and Audit Reports

(a) Statutory Audit under Section 139 of the Companies Act, 2013

M/s Varma & Varma, Chartered Accountants (FRN: 004532S) were appointed as the Statutory Auditors of the Company at the 28th Annual General Meeting of the Company. The Audit Report for financial year 2024-25 does not contain any observations, qualification, reservation or adverse remarks.

(b) Secretarial Audit under Section 204 of the Companies Act, 2013

Pursuant to Section 204 of the Act, the Board of Directors appointed M/s SEP & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2024-25. The Secretarial Audit report of the Company issued by the Secretarial Auditors is annexed to this report as Annexure VII.

(c) Cost records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

(d) Explanations or comments by the Board on qualification, reservation or adverse remark or disclaimer on audits for financial year 2024-25

There are no qualifications, reservation or adverse remarks or disclaimer in the audit reports issued under Section 139 and Section 204 of the Companies Act, 2013 for the financial year 2024-25.

34. Employee Remuneration

The disclosure required under the provisions of Section 197 of the Companies Act, 2013 ('Act') read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') is annexed to this report as Annexure V. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules forms part of the Director's Report.



35. Significant and material orders passed by regulators or courts or tribunals

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company and its future operations.

36. Material changes and commitments affecting the financial position of the Company between the end of the financial year to which financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which financial statements relate and the date of this report.

37. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that -

- (i) in the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed. There were no material departures from applicable Indian Accounting Standards;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

38. Disclosure pursuant to Part A of Schedule V of SEBI Listing Regulations

Disclosure pursuant to Part A of Schedule V read with Regulation 53(f) of SEBI Listing Regulations is attached as Annexure VI of this report.

39. Others

- (a) During the year under review, the Company has been in compliance with the applicable Secretarial Standards i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, with respect to

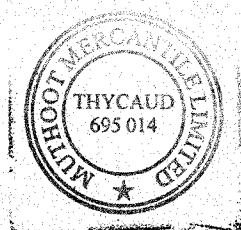


Meetings of Board and its Committees and General Meetings respectively. The Company has devised the necessary systems to ensure compliance with the applicable provisions of Secretarial Standards.

- (b) The Company, in the capacity of Financial Creditor, has not filed any application with National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 during the financial year 2024-25 for recovery of outstanding loans against any customer being Corporate Debtor.
- (c) The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Not Applicable.
- (d) During the year under review, there were no instances of any material frauds reported by the Statutory Auditors under Section 143(12) of the Act.

40. Acknowledgement

Your Directors thank the Company's stakeholders including investors, customers, banks, financial institutions, rating agencies, debenture holders, merchant bankers, legal consultants, registrar and transfer agents, debenture trustees and well-wishers for their continued support during the year. The Directors place on record their appreciation of the contribution made by the employees of the Company and its subsidiaries at all levels. The Company's consistent growth was made possible by their hard work, solidarity, cooperation and support. The Board sincerely expresses its gratitude to Reserve Bank of India, Securities and Exchange Board of India, Ministry of Corporate Affairs and Stock Exchanges including various officials there at for the guidance and support received from them from time to time.



Thiruvananthapuram
03.09.2025

For and on behalf of the Board of Directors

Richi Mathew
Managing Director
DIN: 00224336

Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and Annexure II of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company

The Company has adopted a Board approved Corporate Social Responsibility ('CSR') Policy, in accordance with the provisions of Section 135 of the Companies Act, 2013 ('Act') read with the Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII of the Act. Corporate social responsibility is deeply rooted in the Company's business philosophy. The Company has a sense of responsibility towards making use of its existing resources and knowledge to not only make profits but also to solve social and community issues. The Company commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society, especially the community in the neighborhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability.

As an integral part of the Company's commitment to good corporate citizenship, the Company believes in actively assisting in improving the quality of life of people in the communities. The Company desire to make enduring contributions to social development as a valued and trusted member of society by enriching people's life and making social contributions. The Company tries to ensure economic growth with ecological and social responsibility.

Below is a table outlining the key highlights of the CSR Projects undertaken by the Company during the financial year 2024-25:

SN	Areas/ Subjects under Schedule VII	CSR Projects undertaken by the Company during the financial year 2024-25
1	Promoting health care including preventative health care	Promoting healthcare of general peoples lived in the locality by way of making contributions on request, supporting patients and extending support for livelihood of persons affected by health issues

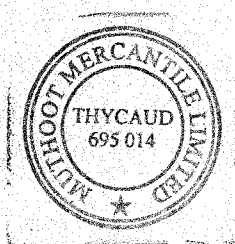
2. Composition of CSR committee

The Board of Directors has constituted a CSR Committee in accordance with the requirements of Section 135(1) of the Act read with Rules made thereunder. The Composition and attendance of the Committee members at the CSR Committee meeting held during the financial year 2024-25 are as follows:



SN	Name of the Director	Designation in the Committee	No. of CSR Committee meetings held during the financial year	No. of CSR Committee meetings attended during the financial year
	Mathew Mathaininan	Member	03	03
	Richi Mathew	Member	03	03
	Dillark Justin	Member	03	03
	Antony Robert John	Member	03	03

3. **Web-link where CSR Policy approved by the Board is disclosed on the website of the Company:** <https://muthootenterprises.com/our-social-commitment>.
4. **Executive summary along with web link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 if applicable:** Not Applicable
- 5.(a) **Average net profit of the Company as per sub-section (5) of Section 135:** ₹ 2,717.02 Lakh
 - (b) **Two percent of average net profit of the Company as per sub-section (5) of Section 135:** ₹ 54.34 Lakh
 - (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
 - (d) **Amount required to be set off for the financial year, if any:** Nil
 - (e) **Total CSR obligation for the financial year [(b) +(c)-(d)]:** ₹ 54.34 Lakh
- 6.(a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 54.94 Lakh
 - (b) **Amount spent in administrative overheads:** Nil
 - (c) **Amount spent on impact assessment, if applicable:** Not applicable
 - (d) **Total amount spent for the financial year [(a)+(b)+(c)]:** ₹ 54.94 Lakh
 - (e) **CSR amount spent or unspent for the Financial Year:** Nil



₹ in Lakh

Total amount spent for the financial year	Amount Unspent				
	Total amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
54.94	Not Applicable		Not Applicable		

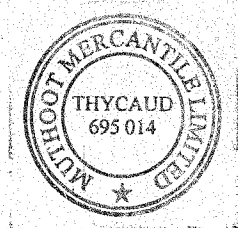
(f) Excess amount for set-off, if any:

SN	Particular	Amount (₹ in Lakh)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section 5 of Section 135	54.34
(ii)	Total amount spent for the financial year	54.94
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.60
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	0.60

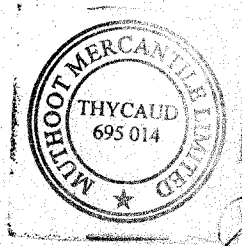
7. Details of unspent Corporate Social Responsibility amount for the preceding three financial years:

SN	Preceding financial year(s)	Amount transferred to unspent CSR account under subsection (6) of Section 135 (in ₹)	Balance amount in unspent CSR account under subsection (6) of Section 135 (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
-	-	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.



9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135: Not Applicable



For and on behalf of the Board of Directors

Thiruvananthapuram
03.09.2025

Richi Mathew
Managing Director
DIN: 00224336

Mathew Mathainan
Chairman & Whole Time Director
DIN: 00063078

Annexure II

FORM NO. AOC 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

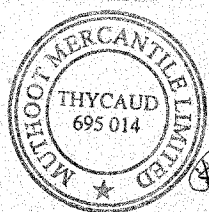
Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

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

- Name(s) of the related party and nature of relationship
- Nature of contracts/ arrangements/ transactions
- Duration of the contracts/ arrangements/transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any
- Justification for entering into such contracts or arrangements or transactions
- Date of approval by the Board
- Amount paid as advances, if any:
- Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 of Companies Act, 2013.

2. Details of material contracts or arrangement or transactions at arm's length basis:

SN	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances (if any)
1	Mathew Mathaininan & Ammini Mathew	Whole Time Directors	Rent paid	11 Months	As per the Lease Agreement executed between the Company and Mr.Mathew Mathaininan & Mrs.Ammi Mathew	22.04.2024	Rs.1.5 Crore was paid as security deposit



For and on behalf of the Board of Directors

Thiruvananthapuram
03.09.2025

Richi Mathew
Managing Director
DIN: 00224336

Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy

The Company remains committed to its long-term goals, grounded in financial discipline, ethical conduct, transparency, and trust. Governance practices are deeply embedded in the Company's culture, ensuring fair consideration of all stakeholder interests. Guided by a diverse and experienced Board, supported by its Committees and robust governance mechanisms, the Company discharges its fiduciary responsibilities effectively. All operations are conducted in a compliant and well-governed manner, with a continued focus on maximizing stakeholder value. The Company believes that a good corporate governance system is necessary to ensure its long-term success. The Company ensures good governance through the implementation of effective policies and procedures, which are mandated and reviewed by the Board or the Committees of the Board.

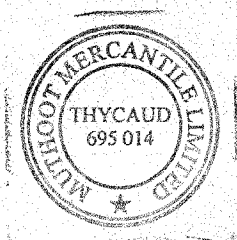
2. Board of Directors

The Board of Directors of the Company comprises of personnel having vast experience in non-banking finance, management and business strategy. The Board plays a pivotal role in providing strategic direction and oversight. It meets regularly to deliberate on policy formulation, strategic planning, performance evaluation, governance matters, and key business and regulatory issues.

a) Composition of the Board

The Company has an optimal mix of Executive and Non-Executive Independent Directors on its Board to ensure high quality of governance and effective functioning of the Board. As on 31st March 2025, the Company's Board comprises six (6) Directors viz. three (3) Non- Executive Directors out of which (2) are Independent Directors and three (3) Executive Directors out of which two (2) are Whole Time Directors and one (1) is Managing Director. All the Directors possesses requisite qualifications and experience in general corporate management, risk management, non-banking finance, human resource management, compliance and other allied fields which enable them to contribute effectively to the Company by providing valuable guidance and expert advice to the management and enhancing the quality of the Board's decision-making processes. The brief profile of the Directors of the Company is as follows:

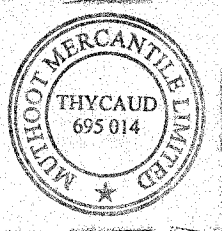
SN	Name and designation of the Director	Profile
1	Mathew Mathaininan Chairman and Whole Time Director	He has a degree in Engineering from University of Mysore. He is associated with Muthoot Mercantile Limited since incorporation.
2	Richi Mathew Managing Director	He has a degree in Engineering from Mangalore University. He is associated with Muthoot Mercantile Limited since 2002.
3	Ammini Mathew Whole Time Director	She has a degree in English Literature from the Calicut University. She is associated with Muthoot Mercantile Limited since 1998.



4	Asha Richi Mathew Non-Executive Director	She is an MBA graduate from the Anna University of Technology, Tirunelveli. She is associated with Muthoot Mercantile Limited since 2022.
5	Dillark Justin Independent Director	He is a lawyer having 20 years of experience across various Courts in India. He has a degree in law and Masters in Business Law from the University of Kerala and possesses various other post graduate certifications.
6	Antony Robert John Independent Director	He is a teaching professional having 24 years of experience. He is a M.Com graduate from the University of Kerala and MBA graduate from Tamilnadu University.

The following table lays down the composition and category of Directors including their date of appointment, DIN, other directorships including names of listed companies where they serve as directors, Committee positions held by them in other Companies and their shareholding as on 31st March 2025 in the Company:

Name of Directors, Designation and DIN	Category (i.e. Executive/ Non-Executive/ Chairman/ Promoter/ Nominee/ Independent)	Director since	No. of Shares and convertible instruments held	Total no. of Directorships and Committee Positions held			Directorships in other listed companies	
				Directorship	Committee Membership	Committee Chairpersonhip	Name of equity listed companies	Category of Directorship
Mathew Mathainan Chairman and Whole Time Director DIN: 00063078	Promoter Executive Director and Chairman	15.04.2005	1,56,46,833	3	6	Nil	Nil	Nil
Richi Mathew Managing Director DIN: 00224336	Promoter Executive Director	13.08.2018	1,30,07,317	4	3	Nil	Nil	Nil
Ammini Mathew Whole Time Director DIN: 00533771	Promoter Executive Director	15.07.2007	1,16,241	3	3	Nil	Nil	Nil
Asha Richi Mathew Non-Executive Director DIN: 05172361	Non- Executive Director	22.09.2022	21,85,125	3	Nil	Nil	Nil	Nil
Dillark Justin Independent Director DIN: 09771752	Non- Executive Independent Director	21.10.2022	Nil	Nil	6	Nil	Nil	Nil



Antony Robert John Independent Director DIN: 10213030	Non- Executive Independent Director	26.06.2023	Nil	Nil	7	Nil	Nil	Nil
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Notes:

1. The total number of Directorships of a Director excludes his/ her directorships in the Company.
2. None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director by the Ministry of Corporate Affairs, the Securities and Exchange Board of India, the Reserve Bank of India or any such statutory authority.

b) Declaration from Independent Directors

The Company has received declarations from all its Independent Directors affirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, along with the applicable rules framed thereunder. Based on these declarations and the accompanying disclosures, the Board has reviewed and taken them on record. Upon such review, the Board is satisfied with the veracity of the submissions and has concluded that all Independent Directors are individuals of integrity, possessing the requisite expertise, proficiency, and experience necessary to qualify and continue as Independent Directors of the Company. Furthermore, the Board affirms that they remain independent of the management.

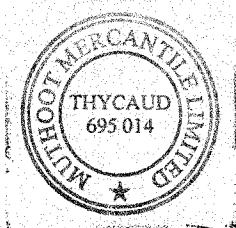
c) Fit and Proper Criteria

The Company has adopted a Fit and Proper Policy, in accordance with Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023, for ascertaining the Fit and Proper criteria of Directors at the time of appointment and on a continuing basis.

Accordingly, all the Directors of the Company have confirmed that they satisfy the 'fit and proper' criteria as prescribed in Master Direction – Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 and that they are not disqualified from being appointed/ continuing as Directors in terms of Section 164 of the Companies Act, 2013.

d) Relationship between our Directors

There is no relationship between the Directors inter-se except Mr. Richi Mathew, Managing Director being the son of Mr. Mathew Mathaininan, Chairman and Whole Time Director and Mrs. Ammini Mathew, Whole Time Director and spouse of Mrs. Asha Richi Mathew, Non-Executive Director.



e) Presence/ Attendance of Directors in the meeting

The attendance of each Director at Board Meetings and the Annual General Meeting (AGM) held on held during the financial year 2024-25 are as below:

SN	Name of the Director	Board Meeting			Attended AGM held on 30.09.2024
		No of Meeting entitled to attend	No of Meeting attended	%	
1	Mathew Mathaininan (DIN: 00063078)	17	17	100	Yes
2	Richi Mathew (DIN: 00224336)	17	17	100	Yes
3	Ammini Mathew (DIN: 00533771)	17	17	100	Yes
4	Asha Richi Mathew (DIN: 05172361)	17	16	94	Yes
5	Dillark Justin (DIN: 09771752)	17	16	94	Yes
6	Antony Robert John (DIN: 10213030)	17	17	100	Yes

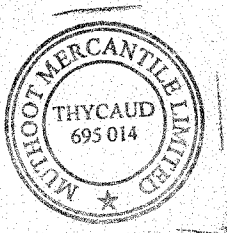
f) Changes in composition of the Board

During the financial year under review, there was no change in the composition of the Board of Directors of the Company.

g) Core Skills/ Expertise/ Competencies of the Board of the Company

The Board comprises members with the appropriate qualifications, experience, and competencies that enable them to contribute effectively to the deliberations and decision-making processes during Board and Committee meetings. In this context, the following matrix outlines the key skills, expertise, and competencies identified as essential for the Company's effective functioning, considering the nature of its business and industry, along with those currently represented within the Board:

Core Skills/ Expertise/ Competencies	Board of Directors					
	1	2	3	4	5	6
	Mr. Mathew Mathaininan	Mr. Richi Mathew	Mrs. Ammini Mathew	Mrs. Asha Richi Mathew	Mr. Dillark Justin	Mr. Antony Robert John
Technical Skills						
Accounting and Finance	√	√			√	√



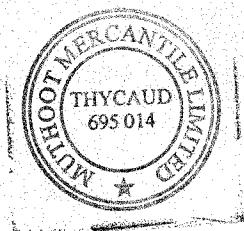
Legal and Compliance	√	√			√	√
Information Technology and Digital	√	√			√	√
Strategic Development and Execution	√	√	√	√	√	√
Industry Experience						
Financial Services sector in India	√	√	√	√	√	√
Knowledge of NBFC Sector	√	√	√	√	√	√
Personal Attribute						
Analytical skills to diagnose situation	√	√	√	√	√	√
Innovative thinker/Visionary	√	√	√	√	√	√
Mentor	√	√	√	√	√	√

h) Meeting of Independent Directors

In compliance with Schedule IV of the Companies Act, 2013 a separate meeting of Independent Directors was held on Monday, 03rd March 2025, for the financial year 2024-25, with all Independent Directors in attendance. At this meeting, the Independent Directors inter-alia evaluated the performance of the Non-Independent Directors & the Board as a whole and the performance of the Chairperson of the Company taking into account the views of Executive Directors and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation was carried on broad parameters such as Board Composition & quality, Board meetings and procedures, Knowledge and Skills, Strategy formulation and execution, Personal Attributes and such other relevant factors. The Independent directors expressed their satisfaction towards the performance of the Board and the Non-Independent Directors of the Company.

3. Committees of the Board and their Composition

The Board of Directors of the Company, functions either as full Board, or through various Committees constituted to oversee specific areas of business operations and Corporate Governance. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees meet at regular intervals, focus on their assigned areas and make informed decisions within the authority delegated to them. As on 31st March 2025, the Board has 09 (nine) committees, namely:



- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- IT Strategy Committee
- Asset Liability Management Committee
- Corporate Social Responsibility Committee
- Internal Complaint Committee
- Debenture Allotment Committee
- Stakeholder Relationship Committee

During the financial year 2024-25, no instances have been observed where the Board has not accepted the recommendations of any of its committee.

a) Audit Committee

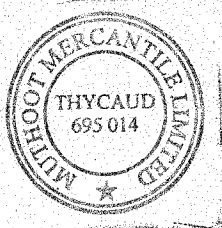
As on 31st March 2025, the Audit Committee of the Company comprised of 3 (three) members, comprising of Independent Directors. The members of the Committee are financially literate and learned, experienced and well known in their respective fields. During the year under review, 6 (six) Audit Committee Meetings were convened and were held on Wednesday, 29th May 2024, Wednesday, 14th August 2024, Wednesday, 28th August 2024, Thursday, 14th November 2024, Thursday, 13th February 2025 and Monday, 31st March 2025.

The required quorum was present for all the Audit Committee meetings. The composition and attendance details of the members of the Audit Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman and Whole-Time Director	Member	06	06
Dillark Justin	Independent Director	Member	06	06
Antony Robert John	Independent Director	Member	06	06

The brief terms of reference of Audit Committee are as follows:

- Oversight of financial reporting and disclosures to ensure accuracy and compliance.
- Recommendation and remuneration of statutory auditors and monitoring their independence and performance.
- Review and approval of financial statements (quarterly, half-yearly, and annual) and related disclosures.
- Evaluation of internal control systems, risk management, and internal audit effectiveness.
- Approval and review of related party transactions.
- Oversight of whistle-blower and vigil mechanisms and addressing issues of fraud or irregularity.



- It performs any other duties delegated by the Board or required under applicable laws and regulations.

During the year, the Board has duly approved and accepted the recommendations of the committee.

b) **Nomination and Remuneration Committee**

As on 31st March 2025, the Nomination and Remuneration Committee of the Company comprised of 3 (three) members. During the year under review, 2 (two) Nomination and Remuneration Committee Meetings were convened and were held on Wednesday, 28th August 2024 and Saturday, 15th February 2025.

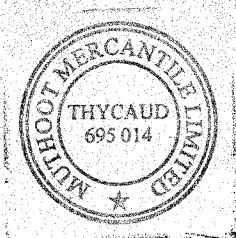
The required quorum was present for all the Nomination and Remuneration Committee meetings. The composition and attendance details of the members of the Nomination and Remuneration Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman and Whole-Time Director	Member	02	02
Dillark Justin	Independent Director	Member	02	02
Antony Robert John	Independent Director	Member	02	02

The brief terms of reference of Nomination and Remuneration Committee are as follows:

- The Committee is responsible for formulating criteria for determining qualifications, positive attributes, and independence of directors, and recommending a policy relating to the remuneration of directors, key managerial personnel, and other employees.
- It evaluates the balance of skills, knowledge, and experience on the Board for the appointment of Independent Directors and prepares a description of the role and capabilities required.
- It also formulates criteria for evaluating the performance of the Board and Independent Directors.
- The Committee identifies and recommends individuals qualified to be appointed as directors or in senior management positions and advises the Board on their appointment and removal.
- Based on performance evaluation, it decides whether to extend or continue the term of Independent Directors.
- It performs any other duties delegated by the Board or required under applicable laws and regulations.

During the year, the Board has duly approved and accepted all the recommendations of the committee.



The Board of Directors adopted a policy of Nomination and Remuneration which includes the criteria for determining qualifications, positive attributes and Independence of Directors.

c) Risk Management Committee

As on 31st March 2025, the Risk Management Committee of the Company comprised of 4 (four) members. During the year under review, 2 (two) Risk Management Committee Meetings were convened and were held on Tuesday, 03rd December 2024 and Monday, 10th February 2025.

The required quorum was present for all the Risk Management Committee meetings. The composition and attendance details of the members of the Risk Management Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman and Whole-Time Director	Member	02	02
Dillark Justin	Independent Director	Member	02	02
Antony Robert John	Independent Director	Member	02	02
Rajeev M.R	Chief Financial Officer	Member	02	02

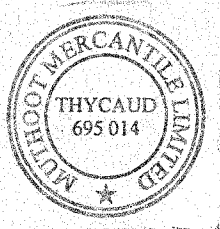
The brief terms of reference of Risk Management Committee are as follows:

- Formulation of a detailed risk management policy which shall include framework for identification of internal and external risks faced by the Company and measures for risk mitigation including processes for internal control of identified risks.
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- Monitoring and overseeing the implementation of the risk management policy, including evaluation of the adequacy of risk management systems.
- Periodically review the risk management policy.
- Assessment of the Company's risk profile and key areas of risk in particular.
- To carry out any other function as may be required / mandated by the Board from time to time and/ or mandated under applicable laws and regulations.

d) IT Strategy Committee

As on 31st March 2025, the IT Strategy Committee of the Company comprised of 4 (four) members. During the year under review, 1 (one) IT Strategy Committee Meeting was convened and was held on Monday, 10th February 2025.

The required quorum was present for all the IT Strategy Committee meetings. The composition and attendance details of the members of the IT Strategy Committee are given below:



Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Richi Mathew	Chairman and Whole-Time Director	Member	01	01
Antony Robert John	Independent Director	Member	01	01
Rajeev M.R	Chief Financial Officer	Member	01	01
Tibi Edison	Head – IT	Member	--	--

The brief terms of reference of IT Strategy Committee are as follows:

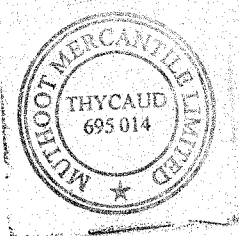
- Approving IT strategy and policy documents.
- Ensuring that the management has put an effective strategic planning process in place.
- Ratifying that the business strategy is indeed aligned with IT strategy.
- Ensuring that the IT organizational structure complements the business model and its direction.
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.
- Becoming aware about exposure towards IT risks and controls and evaluating effectiveness of management's monitoring of IT risks.
- Reviewing IT performance measurement and contribution of IT to business of the Company.
- Perform any other duties as directed by the Board or required under applicable law.

e) Asset Liability Management Committee

As on 31st March 2025, the Asset Liability Management Committee of the Company comprised of 4 (four) members. During the year under review, 2 (two) Asset Liability Management Committee Meetings were convened and were held on Thursday, 03rd October 2024 and Monday, 23rd December 2024.

The required quorum was present for all the Asset Liability Management Committee meetings. The composition and attendance details of the members of the Asset Liability Management Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Managing Director	Member	02	02
Dillark Justin	Independent Director	Member	02	02
Antony Robert John	Independent Director	Member	02	02
Rajeev M.R	Chief Financial Officer	Member	02	02



The brief terms of reference of Asset Liability Management Committee are as follows:

- Understanding business requirement and devising appropriate pricing strategy.
- Management of profitability by maintaining relevant Net interest margin.
- Ensuring liquidity through maturity matching.
- Ensuring adherence to the risk tolerance/ limits set by the Board as well as implementing the liquidity risk management strategy of the Company.
- Management of balance sheet in accordance with internal policies and applicable regulatory requirements.
- Review reports on liquidity, market risk and capital management.
- Perform any other duties as directed by the Board or required under applicable law.

f) Corporate Social Responsibility Committee

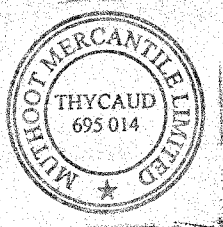
As on 31st March 2025, the Corporate Social Responsibility Committee of the Company comprised of 4 (four) members. During the year under review, 3 (three) Corporate Social Responsibility Committee Meetings were convened and were held on Wednesday, 29th May 2024, Thursday, 3rd October 2024 and Monday, 31st March 2025.

The required quorum was present for all the Corporate Social Responsibility Committee meetings. The composition and attendance details of the members of the Corporate Social Responsibility Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman and Whole-Time Director	Member	03	03
Richi Mathew	Managing Director	Member	03	03
Dillark Justin	Independent Director	Member	03	03
Antony Robert John	Independent Director	Member	03	03

The brief terms of reference of Corporate Social Responsibility Committee are as follows:

- Formulate and recommend the CSR Policy and annual action plan in line with Schedule VII of the Companies Act, 2013.
- Recommend CSR activities and the amount of expenditure to be incurred.
- Monitor implementation of CSR projects and ensure compliance with applicable laws.
- Coordinate with and review the performance of implementing agencies.
- Review CSR expenditure and submit the annual CSR report to the Board.
- Ensure proper utilization and tracking of CSR funds.
- Recommend setting off excess CSR spending, if applicable.
- Assess effectiveness of CSR initiatives and recommend improvements.
- Report regularly to the Board on relevant CSR matters.
- Perform any other duties as directed by the Board or required under applicable law.



g) Debenture Allotment Committee

As on 31st March 2025, the Debenture Allotment Committee of the Company comprised of 4 (four) members. During the year under review, 8 (eight) Debenture Allotment Committee Meetings were convened and were held on Monday, 22nd April 2024, Thursday, 02nd May 2024, Wednesday, 07th August 2024, Thursday, 12th December 2024, Tuesday, 24th December 2024, Wednesday, 29th January 2025, Thursday, 13th March 2025 and Monday, 24th March 2025.

The required quorum was present for all the Debenture Allotment Committee meetings. The composition and attendance details of the members of the Debenture Allotment Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman and Whole-Time Director	Member	08	08
Richi Mathew	Managing Director	Member	08	08
Ammini Mathew	Whole-Time Director	Member	08	08
Shyamala Devi L	Manager – FD section	Member	08	08
Rajeev M.R	Chief Financial Officer	Member	08	08

The brief terms of reference of Debenture Allotment Committee are as follows:

- To approve the terms of offer of Non-Convertible Debentures (NCDs) through private placement and public issue.
- To approve issue, subscription and allotment of NCDs to eligible and/ or identified investors.
- To approve the opening of issue, terms of issue, issue price, application form, offer document for private placement and public issue of NCDs, including addendum/ corrigendum and all the matters related thereto.
- To authorize officers, consultants, advisors or any concerned person/ entity to submit, file, resubmit, modify, sign, execute, process documents and information to obtain necessary approvals and consents from government, regulatory, statutory and authorities.
- Perform any other duties as directed by the Board or required under applicable law.

h) Internal Complaint Committee

As on 31st March 2025, the Internal Complaint Committee of the Company comprised of 4 (four) members. During the year under review, 2 (two) Internal Complaint Committee Meetings were convened and were held on Monday, 23rd September 2024 and Saturday, 22nd March 2025.

The required quorum was present for all the Internal Complaint Committee meetings. The composition and attendance details of the members of the Internal Complaint Committee are given below:



Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Ammini Mathew	Whole-Time Director	Member	02	02
Shyamala Devi L	Manager – FD section	Member	02	02
Arun P. Nair	Legal Officer	Member	02	02
Lakshmi Dilip	HR Manager	Member	02	02

The brief terms of reference of Internal Complaint Committee are as follows:

- Implementation of the POSH Policy relating to the prevention of sexual harassment.
- To record reports of sexual harassment against working women, to carry out investigations, and to offer support.
- Resolving complaints by the aggrieved and recommending actions to be taken.
- To initiate an inquiry into a complaint of sexual harassment at the workplace.
- Maintain strict confidentiality throughout the process as per established guidelines.

i) Stakeholder Relationship Committee

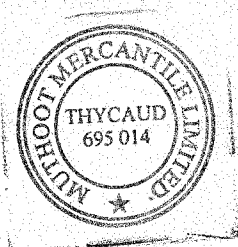
As on 31st March 2025, the Stakeholder Relationship Committee of the Company comprised of 3 (three) members. During the year under review, 2 (two) Stakeholder Relationship Committee Meetings were convened and were held on Friday, 18th October 2024 and Friday, 17th January 2025.

The required quorum was present for all the Stakeholder Relationship Committee meetings. The composition and attendance details of the members of the Stakeholder Relationship Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Ammini Mathew	Whole-Time Director	Member	02	02
Dillark Justin	Independent Director	Member	02	02
Antony Robert John	Independent Director	Member	02	02

The brief terms of reference of Stakeholder Relationship Committee are as follows:

- To consider and look into various aspects of interest of shareholders, debenture holders and other security holders.
- To consider and resolve the grievances of security holders of the Company including compliance related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividend, issue of new/ duplicate certificates, general meetings etc.



- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time.
- To give effect to allotment of equity shares, approval of transfer or transmission of equity shares, debentures or any other securities.
- Reference to authorities regarding investor grievances.
- Perform any other duties as directed by the Board or required under applicable law.

4. Annual Performance Evaluation

The Board of Directors has carried out an annual performance evaluation of its own performance, its Committees and the Directors individually including Independent Directors based out of the criteria and framework adopted by the Board. The Nomination and Remuneration Committee has carried out evaluation of every director's performance. The Board approved the evaluation as collated by the Nomination and Remuneration Committee.

During the year under review, a separate meeting of Independent Directors was held on Monday, 03rd March 2025. At this meeting, the Independent Directors inter alia evaluated the performance of Non-Independent Directors and the Board as a whole, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness flow of information between the management and the Board which is necessary for the Board to effectively and reasonably perform its duties.

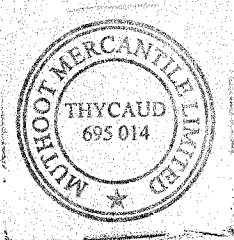
The criteria for performance evaluation of Committees, Board as a whole, Independent Directors and other Directors provide certain parameters like:

- Participation at the Board/ Committee meetings.
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings).
- Effective deployment of knowledge and expertise.
- Updated knowledge/ information pertaining to business of the Company.
- Effective management of relationship with stakeholders.
- Integrity and maintaining of confidentiality.
- Independence of behavior and judgment.
- Impact and influence.
- Ability to contribute to and monitor corporate governance practice
- Adherence to the code of conduct for independent directors.

The Directors expressed their satisfaction on the parameters of evaluation, the implementation of the evaluation exercise and the outcome of the evaluation process.

5. Senior Management Personnel

The particulars of Senior Management Personnel of the Company, during the financial year under review as follows:



SN	Name	Designation
1	Rajeev M.R	Chief Financial Officer
2	Prem Kumar S	AGM
3	Prashanth	Chief Manager (North Region)
4	Neethu C Biju	Company Secretary (Resigned with effect from 12.09.2024)
5	Remys R.S	Company Secretary (Appointed with effect from 12.09.2024 and resigned with effect from 25.02.2025)
6	Arun Kumar V.K	Company Secretary (Appointed with effect from 06.03.2025)

6. Remuneration to Directors

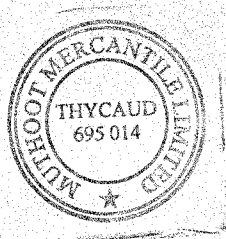
The details of the remuneration paid to the Directors during the financial year under review is as follows:

(₹ in Lakh)

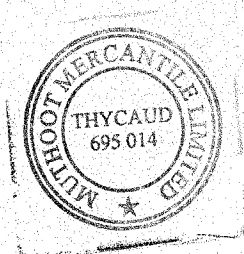
SN	Name of the Director	Designation	Remuneration	Commission	Sitting Fees
1	Mathew Mathaininan	Chairman and Whole-Time Director	24.00	150.12	0.45
2	Richi Mathew	Managing Director	75.00	150.12	0.45
3	Ammini Mathew	Whole-Time Director	24.00	--	0.42
4	Asha Richi Mathew	Non-Executive Director	12.00	--	0.45
5	Dillark Justin	Independent Director	--	--	0.36
6	Antony Robert John	Independent Director	--	--	0.45

7. General Meetings

The details of the Annual General Meetings, Extra-ordinary General Meetings held during the year under review are as follows:



Financial year	Date	Time	Venue	Special Resolutions passed
2023-24	Monday, 30 th September 2024	03.00 PM	'Muthoot Floors', 1 st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014	<ul style="list-style-type: none"> • Payment of rent to Mr. Mathew Mathaininan, Whole-Time Director and Mrs. Ammini Mathew, Whole-Time Director • Issue of Sub-ordinated Debts in the nature of promissory note for the financial year 2024-25 • To authorize the Board of Directors to mortgage, create charge on all or any of the assets of the Company • Approval of borrowing limits
2022-23	Tuesday, 05 th September 2023	04.00 PM	'Muthoot Floors', 1 st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014	<ul style="list-style-type: none"> • Regularization of appointment of Mr. Antony Robert John Director (Non-Executive & Independent) • Re-appointment Mr. Richi Mathew as the Managing Director of the Company • Re-appointment Mr. M Mathew as the Whole Time Director of the Company • Re-appointment Mrs. Ammini Mathew as the Whole Time Director of the Company • Approval for payment of commission to Mr. Mathew Mathaininan, Whole Time Director and Richi Mathew, Managing Director • Authorization of related party transactions • To approve the alteration of Articles of Association
2021-22	Thursday, 22 nd September 2022	04.30 PM	'Muthoot Floors', 1 st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014	Nil



All the resolutions moved at the last three AGMs were passed by the requisite majority of Members. During the financial year 2024-25, no Extra-ordinary General Meeting was held.

8. Postal Ballot

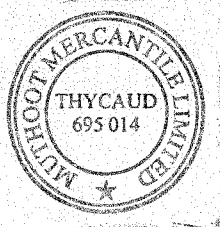
During the financial year 2024-25, no resolutions have been passed through postal ballot. Further, there is no proposal to transact any business that requires the passing of resolution through postal ballot.

9. Means of Communication

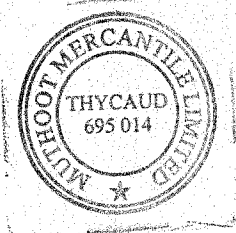
The Company is committed to upholding the highest standards of transparency in its communication practices. To achieve this, the Company has implemented procedures to disseminate pertinent information in a systematic manner to its shareholders, debenture holders, lenders and other stakeholders. The quarterly, half yearly and annual results were published in newspapers. The Company is also maintaining a functional website wherein the communications are updated. The Annual Report containing the Audited Financial Statements, Auditors' Reports, Boards' Report and other information are circulated to the Members and others entitled thereto. All the disclosures and communications to be filed with the stock exchange were submitted through e-filing platform/ email.

10. General Information

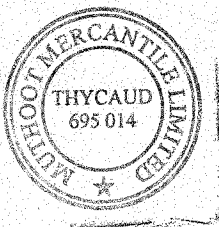
1	Annual General Meeting	Date: 30 th September 2025 Time: 03.00 PM Venue: ‘Muthoot Floors’, 1 st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014								
2	Financial Year	The Company follows financial year starting from 01 st April to 31 st March every year								
3	Dividend payment date	The Board has not recommended any dividend for the financial year 2024-25								
4	Listing on Stock Exchange	NCDs issued by the Company through Public Issue are listed in BSE Limited. Further, the Company has paid Annual Listing Fees to BSE Limited, where its NCDs are listed.								
5	Scrip Code	The ISINs/ scrip codes pertaining to NCDs, which are listed on BSE Limited are as follows: <table><tr><th>ISIN</th><th>Scrip Code</th></tr><tr><td>INE05F407BE0</td><td>939066</td></tr><tr><td>INE05F407BS0</td><td>939068</td></tr><tr><td>INE05F407BC4</td><td>939070</td></tr></table>	ISIN	Scrip Code	INE05F407BE0	939066	INE05F407BS0	939068	INE05F407BC4	939070
ISIN	Scrip Code									
INE05F407BE0	939066									
INE05F407BS0	939068									
INE05F407BC4	939070									



	INE05F407BT8	939072
	INE05F407BF7	939074
	INE05F407BN1	939076
	INE05F407BI1	939078
	INE05F407BP6	939080
	INE05F407BG5	939082
	INE05F407BM3	939084
	INE05F407BH3	939086
	INE05F407BO9	939088
	INE05F407BB6	939090
	INE05F407BL5	939092
	INE05F407BJ9	939094
	INE05F407BQ4	939096
	INE05F407AZ7	939098
	INE05F407BZ5	939485
	INE05F407CA6	939487
	INE05F407CJ7	939489
	INE05F407CF5	939491
	INE05F407CI9	939493
	INE05F407CG3	939495
	INE05F407CB4	939497
	INE05F407CD0	939499
	INE05F407CH1	939501
	INE05F407CC2	939503
	INE05F407CE8	939505
	INE05F407CS8	939703
	INE05F407CK5	939705
	INE05F407CP4	939707
	INE05F407CN9	939709
	INE05F407CM1	939711
	INE05F407CQ2	939713
	INE05F407CO7	939715
	INE05F407CL3	939717
	INE05F407CR0	939719
	INE05F407CU4	940141
	INE05F407CV2	940143
	INE05F407DA4	940145
	INE05F407CT6	940147
	INE05F407CW0	940149
	INE05F407CX8	940151
	INE05F407CY6	940153
	INE05F407CZ3	940155
	INE05F407DB2	940157



		INE05F407DC0	940279
		INE05F407DD8	940281
		INE05F407DG1	940283
		INE05F407DF3	940285
		INE05F407DE6	940287
		INE05F407DK3	940543
		INE05F407DH9	940545
		INE05F407DJ5	940547
		INE05F407DI7	940549
		INE05F407DL1	940551
6	Registrar and Share Transfer Agent	Kfin Technologies Limited 301, The Centrium, 3 rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurl West, Mumbai-400070, Maharashtra Website: https://www.kfintech.com/ Ph. No.: +91-40 6716 2222	
7	Share transfer system	All the equity shares of the Company are in dematerialized form, hence there is no physical transfer of equity shares. All the NCDs of the Company are in dematerialized form, hence there is no physical transfer of NCDs.	
8	Distribution of shareholding	Promoter and promoter group – 100% General public - Negligible	
9	Dematerialization of shares and liquidity	The equity shares of the Company are identified by the ISIN: INE05F401013. As of 31 st March 2025, all equity shares of the Company are held in dematerialized form.	
10	Branch locations	During the financial year under review, the Company had network of 295 branches across the States of Tamil Nadu, Kerala, Delhi, Haryana, Maharashtra, Madhya Pradesh, Odisha, Punjab, Uttar Pradesh, Rajasthan, West Bengal and Gujarat.	
11	Address for correspondence	Mr. Arun Kumar V.K Company Secretary and Chief Compliance Officer Muthoot Mercantile Limited Address: 'Muthoot Floors', 1 st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014 Mail id: cs@muthootenterprises.com Website: Muthoot Mercantile Limited Tel No.: 0471-2774800	
12	Credit Ratings	BBB/ Stable (India Ratings and Research Ltd)	



11. Other Disclosures

a) Related Party Transactions

The related party transactions that were entered during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant transactions made by the Company with the related parties either individually or taken together with the previous transactions which may have a potential conflict with the interest of the Company at large. Further, as per the requirements of Ind AS, the transactions with related parties are disclosed in the financial statements of the Company. The Company has adopted a Related Party Transactions Policy for the purpose of identification, monitoring and approving of such transactions.

b) Details of non-compliance, penalties, strictures imposed

Except as disclosed below, there were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange or SEBI or any other statutory authority on any matter related to capital market during the last three financial years:

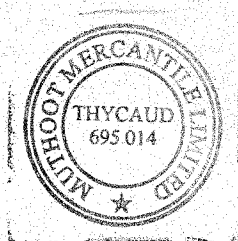
Stock Exchanges had imposed certain SOP fines on the Company for violations of SEBI Regulations. The Company has duly remitted the fines in compliance with the order.

c) Whistle Blower Policy/ Vigil Mechanism

The Company has established vigil mechanism as per Section 177(9) of the Companies Act, 2013 to encourage employees to report suspected legal violations, fraudulent or irregular conduct of an employee or business associate of the Company. Such incidents, if not reported would breach trust and endanger the Company's reputation. Through this mechanism, the Company provides a channel to the employees and Directors to report to the management about unethical behaviour, actual or suspected fraud or violation of the codes of conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Company has a Vigil Mechanism/ Whistle Blower Policy ('Policy') to deal with instances of fraud and mismanagement, if any. This Policy ensures that strict confidentiality is maintained whilst dealing with concerns and that no discrimination will be meted out to any person for a genuinely raised concern. During the year, no whistle blower event was reported, and mechanism is functioning well and no personnel has been denied access to the Chairman of Audit Committee.

d) Web-link where policy for determining 'material' subsidiaries is disclosed

Since, the Company does not have any subsidiary, formulation of Policy for determining 'material' subsidiaries is not applicable to the Company.



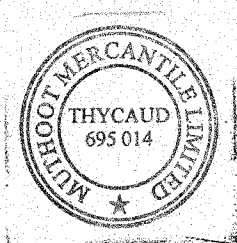
e) Disclosure of commodity price risks and commodity hedging activities

Not Applicable, since the Company does not have any derivatives denominated in foreign currency.

f) Details of utilization of funds

Details of utilization of proceeds of public issue of NCDs during the financial year under review:

ISIN	Date of raising funds	Amount raised (₹ in Crores)	Fund utilised (₹ in Crores)	Any deviation (Yes/ No)
INE05F407AZ7	21/12/2023	12.51	12.51	No
INE05F407BB6	21/12/2023	11.89	11.89	No
INE05F407BC4	21/12/2023	3.45	3.45	No
INE05F407BE0	21/12/2023	3.53	3.53	No
INE05F407BF7	21/12/2023	2.04	2.04	No
INE05F407BG5	21/12/2023	10.47	10.47	No
INE05F407BH3	21/12/2023	3.81	3.81	No
INE05F407BI1	21/12/2023	1.48	1.48	No
INE05F407BJ9	21/12/2023	0.37	0.37	No
INE05F407BL5	21/12/2023	10.31	10.31	No
INE05F407BM3	21/12/2023	8.81	8.81	No
INE05F407BN1	21/12/2023	2.55	2.55	No
INE05F407BO9	21/12/2023	2.69	2.69	No
INE05F407BP6	21/12/2023	1.16	1.16	No
INE05F407BQ4	21/12/2023	1.04	1.04	No
INE05F407BS0	21/12/2023	2.36	2.36	No
INE05F407BT8	21/12/2023	2.60	2.60	No
INE05F407BZ5	27/05/2024	8.42	8.42	No
INE05F407CA6	27/05/2024	6.53	6.53	No
INE05F407CB4	27/05/2024	11.52	11.52	No
INE05F407CC2	27/05/2024	1.13	1.13	No
INE05F407CD0	27/05/2024	3.49	3.49	No
INE05F407CE8	27/05/2024	7.85	7.85	No

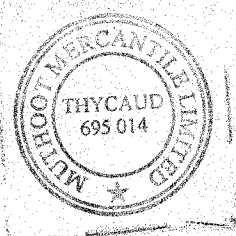


INE05F407CF5	27/05/2024	2.22	2.22	No
INE05F407CG3	27/05/2024	1.43	1.43	No
INE05F407CH1	27/05/2024	7.32	7.32	No
INE05F407CI9	27/05/2024	2.51	2.51	No
INE05F407CJ7	27/05/2024	1.45	1.45	No
INE05F407CK5	11/09/2024	8.11	8.11	No
INE05F407CL3	11/09/2024	0.71	0.71	No
INE05F407CM1	11/09/2024	25.57	25.57	No
INE05F407CN9	11/09/2024	2.86	2.86	No
INE05F407CO7	11/09/2024	14.74	14.74	No
INE05F407CP4	11/09/2024	2.76	2.76	No
INE05F407CQ2	11/09/2024	4.48	4.48	No
INE05F407CR0	11/09/2024	11.71	11.71	No
INE05F407CS8	11/09/2024	12.54	12.54	No
INE05F407CT6	29/01/2025	1.82	1.82	No
INE05F407CU4	29/01/2025	11.95	11.95	No
INE05F407CV2	29/01/2025	14.28	14.28	No
INE05F407CW0	29/01/2025	16.25	16.25	No
INE05F407CX8	29/01/2025	3.81	3.81	No
INE05F407CY6	29/01/2025	9.20	9.20	No
INE05F407CZ3	29/01/2025	0.67	0.67	No
INE05F407DA4	29/01/2025	1.43	1.43	No
INE05F407DB2	29/01/2025	10.28	10.28	No

g) Remuneration to Statutory Auditors

The details of total fees paid to M/s. Varma & Varma, Chartered Accountants (FRN: 004532S), Statutory Auditors of the Company during the financial year 2024-25 is given below:

Particulars	(₹ in Lakh)
Statutory Audit fees	10.00
Tax Audit Fees	2.00



Other services	5.00
Total	17.00

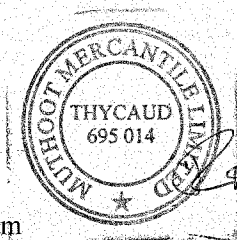
h) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual through various intentions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'), amended as on date. The Company has framed a Policy on Prevention of Sexual Harassment at Workplace in accordance with POSH Act which offers comprehensive protection to all employees are covered under this policy.

Following is the summary of sexual harassment complaints received and disposed off by the Company during the year under review:

No. of complaints at the beginning of the year	Nil
No. of complaints Received during the year	Nil
No. of complaints disposed off during the year	Nil
No. of complaints at the end of the year	Nil

- i) The Company has not provided any loans and advances in the nature of loans to firms/ companies in which directors are interested.
- j) The Company adheres to the guidelines issued by the Reserve Bank of India ('RBI') and seeks to promote good and fair practices by setting minimum standards in dealing with customers while doing lending business.



Thiruvananthapuram
03.09.2025

Richi Mathew
Managing Director
DIN: 00224336

For and on behalf of the Board of Directors

Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**1. Global Economic Overview**

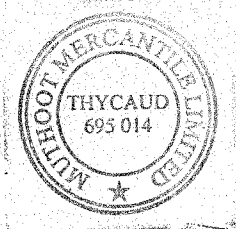
In 2024, the worldwide economy recorded a growth rate of 3.2%, indicating a steady tempo of development. However, this number was below the historical average of 3.7% noted from 2000 to 2019. The slowdown was ascribed to a combination of structural and cyclical elements, such as policy tightening in key economies, geopolitical unrest, and challenges specific to certain sectors. Collectively, these factors had a significant influence on both developed and developing markets, resulting in a more restrained global economic landscape.

The economic progress of both developed and developing nations took clearly divergent paths over the year. Developed economies faced challenges due to sluggish manufacturing performance, declining consumer confidence, and ongoing inflationary pressures, which hindered overall economic expansion. Increasing energy expenses, interruptions in worldwide trade routes, and the ongoing effects of previous monetary restrictions continued to limit demand. Conversely, emerging markets and developing economies faced their unique challenges, such as weak external demand, capital flight caused by increasing interest rates in advanced countries, and significant policy ambiguities. Moreover, trade interruptions and geopolitical conflicts notably impacted the slowdown in growth, especially in economies that depend heavily on exports. In spite of these difficulties, some emerging markets demonstrated resilience, bolstered by robust domestic demand and focused fiscal measures.

Although inflation trends differed among various economies, global headline inflation experienced a marked decline in 2024, decreasing from 5.7% in 2023 to 4.2%. This decrease was mainly influenced by the stabilization of energy costs and the slow resolution of persistent supply chain issues. Over the course of the year, central banks adopted a careful stance, meticulously calibrating monetary policy to facilitate economic recovery while keeping inflation on a declining path. In the future, inflation is anticipated to keep moderating, possibly hitting 3.5% by 2026, assuming geopolitical risks and supply-side disruptions are managed effectively.

2. Indian Economic Overview

With the country's Gross Domestic Product (GDP) increasing by 6.5%, India's economy in financial year 2024–25 showed a consistent and healthy growth path, which cemented its position as the world's quickest growing big economy. This expansion is mainly due to significant government investment in infrastructure, a resurgence in rural demand and the continuous growth of the services industry, particularly in the areas of finance and real estate. RBI's cautious, accommodating monetary policy, which includes a reduction in interest rates, has also boosted investment and consumption. Moreover, the economic momentum has been strengthened by a significant increase in manufacturing production and strong urban consumption. India's inherent economic resilience, along with government measures and significant private sector expenditures, is positioned to support sustained expansion, even if there are still external hazards from global trade uncertainties.



Supported by revolutionary structural changes, digital advances, and a growth rate between 6.3% and 6.8%, the Indian economy is predicted to expand in financial year 2025–26 and a growing surge in consumer demand. The manufacturing industry is being strengthened by programs like Make in India and the Production-Linked Incentive (PLI) programs, which are directing significant investment into important industries like electronics, semiconductors, and renewable energy. Simultaneously, it is anticipated that massive infrastructure initiatives in highways, ports, and smart city construction will boost economic activity and create a large number of job opportunities. India is in a good position to maintain its growth trajectory, strengthening its position as a major player in the world economy, provided that there is continued government support and strategic investments.

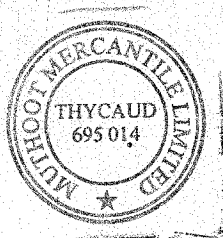
3. Indian Financial Services Sector Overview

Due to changing monetary policies and shifting global dynamics, India's financial services industry has successfully managed a volatile environment. The Reserve Bank of India (RBI) lowered the main policy rates in order to promote economic expansion, thereby launching a series of monetary easing measures. In spite of this, higher borrowing expenses—made worse by the increasing demand for infrastructure bonds—caused banks to have difficulties. The liquidity gap had increased to about ₹ 1.7 Trillion by February 2025. The RBI responded to this by orchestrating a \$ 10 Billion foreign exchange swap intended to promote financial stability and maintain stable short-term interest rates. Rapid technological progress has further accelerated the industry's transition. The refinement of financial services has been significantly impacted by the introduction of digital currencies, open banking, and artificial intelligence (AI). The current decrease in interest rates has put more strain on banks' net interest margins as well. Despite these challenges, India's financial services industry is still in a strong position to experience continuous expansion and long-term resilience, thanks to proactive regulatory policies, a strong digital infrastructure, and a resilient economy.

4. Industry Scenario and Financing

The Non-Banking Financial Companies (NBFC) sector in India continues to be a crucial component of the financial system, playing a key role in promoting financial inclusion and increasing credit availability. The industry has grown steadily from \$ 326 billion in the previous year to over \$ 350 billion in financial year 2024–25. However, the growth of the sector's Assets Under Management (AUM) is forecasted to moderate, with year-on-year growth projections for financial year 2024-25 and 2025-26 ranging between 15-17%, a decline from the robust 23% recorded in financial year 2023-24, due to growing issues like increasing delinquencies, stricter regulatory structures, and harsher financing conditions.

The RBI's implementation of scale-based regulations to strengthen governance, risk management, and operational stability is part of ongoing regulatory reforms that are changing the NBFC environment. In order to guarantee financial stability and liquidity, it has grown more important to concentrate on diversifying funding sources and lessen dependence on conventional banking routes. Furthermore, the industry is facing growing competition from fintech companies and traditional banks, necessitating strategic realignments in order to remain competitive. The RBI's focus on responsible lending procedures, notably in the unsecured loan industry, emphasizes the necessity for NBFCs to improve their risk evaluation frameworks and financial prudence.



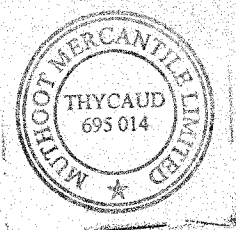
With the integration of AI-driven credit evaluations, digital lending platforms, and data-driven risk management, digital transformation continues to be a crucial factor in the development of NBFCs, greatly improving efficiency and client accessibility. The industry's expansion into underserved markets is further facilitated by the government's efforts to promote financial inclusion, as well as programs like PMJDY and Mudra Yojana. In the meanwhile, increased Foreign Direct Investment (FDI) and co-lending agreements with banks are enhancing financial sustainability and facilitating access to affordable capital. Despite ongoing issues including regulatory compliance, rivalry from banks and fintech companies, and macroeconomic uncertainties, NBFCs that use technology, diversify funding sources, and enhance risk management are well positioned to succeed. Management structures will be well-placed to support long-term development. Ultimately, the industry's long-term viability in India's shifting financial environment will depend on its capacity for innovation and adaptation.

5. Gold Market

With worldwide demand hitting all-time highs across all industries, the gold market reached new milestones in 2024. Despite a 11% decrease in volume caused by increasing prices, which averaged \$2,386 per ounce (23% increase from 2023), jewellery remained the largest segment, making up 44% of demand (2,012 tonnes). The overall worth of the jewellery market increased by 9% to \$144 billion, as customers chose more expensive items, despite decreased volumes. Inflation, geopolitical concerns, and a resurgence of interest in ETFs caused investment demand to increase by 25% to 1,180 tonnes, bringing the hypothetical worth of investor gold holdings to \$5 trillion. Due to expansion in the green energy, 5G, and AI industries, demand for technology increased by 7% to 321 tonnes. Gold's status as a secure reserve asset was solidified by central banks buying more than 1,000 tonnes for the third consecutive year.

In Indian households, gold serves as a vital component of wealth and savings, holding a central position. However, changes in consumer behavior and growing global influences are altering how gold is valued and used. Record-high prices, changing consumer behavior, and significant changes in investment patterns have characterized India's gold market in 2025. The overall value of the Indian gold market is estimated to be more than \$60 billion annually, while local gold prices have increased by more than 30% year-to-date to ₹ 98,732 per 10 grams. Despite high prices, the industry is still dominated by wedding-related demand, while many consumers are choosing to exchange old jewelry rather than buy new items.

Driven by higher value transactions and ongoing store expansions, corporate retail jewellers experienced robust growth in the beginning of 2025, with sales increasing 25–35% year over year. Despite total AUM increasing to ₹ 589 billion (\$ 6.8 billion), gold ETFs experienced their first net outflow in March in the last 10 months. Although the RBI has slowed its gold purchases, the proportion of gold in its reserves has increased to 11.7%. Gold imports also rebounded sharply in March, reaching \$ 4.4 billion, demonstrating persistent demand despite expensive rates. Seasonal buying, gold's safe-haven appeal, and continued investment interest are all expected to support demand in the face of persistent global uncertainty.



6. Gold Loans

In Indian society, gold jewellery is much preferred, making it a crucial element of daily existence. Gold loans have become a simple way for a large number of borrowers, including individuals, small companies, and micro-businesses, to get credit. In India, the gold loan industry is thriving, with about 2,950–3,350 tonnes of gold being used as collateral for immediate access to finance. India is the largest market for gold worldwide. Due to the long-standing practice of gold ownership, Southern India has continued to be a key market for gold loans. Despite fierce competition from banks, NBFCs that provide gold loans managed to maintain their market share throughout the year. The growing demand for credit for small and medium-sized loans has resulted in a considerable increase in the number of loan providers. Furthermore, the digitalization of loan processing has been essential to its efficiency. NBFCs have demonstrated remarkable resilience and have demonstrated their ability to compete with bigger financial organizations.

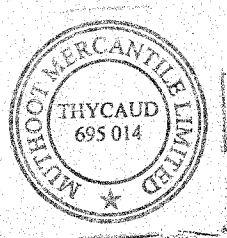
7. Human Resources

The human resources of the Company are the foundation of its success. Recognizing that a driven and competent labor force is necessary for sustained progress, the Company prioritizes the development of a supportive workplace that promotes both safety and efficiency. The HR staff is essential in fostering a workplace built on the values of integrity, openness, and lifelong learning. The Company's dedication to equality and rigorous implementation of a zero tolerance policy for harassment ensures that employees work in a culture that fosters respect, safety, and empowerment. The Company promotes trust and confidence throughout its workforce by being more than just an employer; it also offers prospects for long-term career advancement. In a business world that is always changing, the Company's HR procedures are meant to make sure that workers gain the essential abilities for success. Individual accomplishments are reinforced by a performance-oriented culture, which improves both employee competence and the Company's market share.

While the Company is committed to becoming a future-ready organization, its primary focus remains on attracting, developing, and keeping top-tier talent. The Company's human resources strategy continues to place a high priority on fair opportunity, employee well-being, and the development of a cooperative workplace culture. The HR procedures, which are centered on a foundation of unique skills and inherent values, are intended to foster an inclusive and stimulating workplace culture. The Company had 1054 employees as of 31st March 2025, which was a net increase of 833 employees during the financial year 2024–25, highlighting the growth of its operations. and a firm dedication to increasing the number of employees.

8. Risk Management

Risk management is a crucial strategic priority that protects the interests of consumers, staff, shareholders, and the Company while promoting sustainable development. The Company promptly identifies and mitigates a wide range of risk categories, such as credit, market, regulatory, operational, liquidity, interest rate, information technology, and economic risks. The Company takes a proactive stance to address these complicated and changing threats by carrying out assessments and implementing preventative strategies.



The Company has a strong culture of risk awareness that is constantly reinforced by a framework of well-defined rules, operational instructions, and stringent control procedures. The Board and its Committees oversee, review, and ratify risk-related regulations in order to assure the independent identification, assessment, and management of risks throughout all operational areas.

In order to increase operational efficiency the Company has put in place a strict organizational structure, backed by well-documented rules and a clear authority matrix, protecting its assets as well as its internal policies and regulatory requirements. The Company recognizes the necessity of a strong internal control system for the efficient management of daily tasks.

The Company has established a comprehensive internal control system that integrates financial reporting, regulatory compliance, fraud prevention, and business operations in accordance with the highest industry standards. To ensure uniformity and efficiency in all operational functions and to uphold the highest governance standards, thorough controls are integrated throughout the Company. In compliance with established procedures, the Company maintains that its internal control structure is uniformly implemented throughout its operations, safeguarding assets and ensuring that every transaction is carried out flawlessly. The internal control framework is strengthened further by thorough internal audits, regular management reviews, and a set of standardised policies and procedures designed to uphold the accuracy and reliability of both financial and operational records.

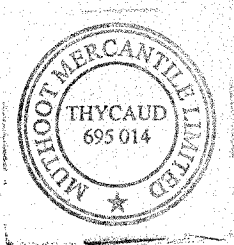
9. Company Overview

With an integrated operational framework and a steady foundation of customer trust, the Company is known for its leadership. The Company is still redefining financial inclusion in India with its large and expanding client base and network of locations. With decades of experience in the money lending industry, particularly in small-scale lending against household and/or used gold jewelry, the Company began operations in Thiruvananthapuram, Kerala. The Company has expanded the size and geographic reach of its gold lending activities since its founding. The Company was registered with Reserve Bank of India as an NBFC in 2002 after it was established in 1997 as a public limited company. Around 1.60 Lakh customers made up the gold loan portfolio as of 31st March 2025. The Company has created several gold loan schemes depending on the interest rate as well as the amount of the loan, in order to cater to the diverse requirements of various customers. The majority of gold loan customers are people in metro cities and rural, semi-urban regions, such as Delhi and Mumbai, who often need money for social commitments and urgent needs.

The Company stands apart from banks because of its emphasis on unorganized parts of society and quicker turnaround times. Generally, the Company provides loans ranging from ₹ 1,000/- to ₹100 Lakh per transaction. The maximum term length for all gold loans was 12 months. For the financial year ending 31st March 2025, the yield on the gold loan portfolio (which reflects interest income on gold loans as a percentage of average outstanding at 31st March 2025) was 21.36% annualised.

10. Financial Summary and Highlights

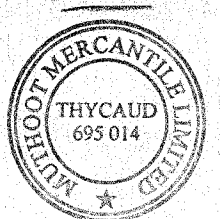
The Company's financial performance for the financial year ended 31st March 2025 and corresponding figures for the financial year ended 31st March 2024 are in the following table:



₹ in Lakhs

Description	Year ended 31 st March 2025	Year ended 31 st March 2024
Revenue from operations	16,407.03	13,119.01
Other Income	235.59	58.90
Gross Income	16,642.62	13,177.91
Total Expenditure (excluding Finance Cost and Depreciation)	4,580.33	3,646.02
Profit Before Finance Cost and Depreciation	12,062.29	9,531.89
Less: Finance Cost	7,297.38	5,374.45
Less: Depreciation	962.19	863.60
Profit Before Tax	3,802.72	3,293.84
Total Tax Expenses (Current and Deferred)	993.79	866.00
Profit After Taxation	2,808.93	2,427.84
Other Comprehensive Income/ (Expense) (Net of Tax)	(45.98)	11.77
Total Comprehensive Income for the period	2,762.95	2,439.61
Appropriations		
Transfer to Impairment Reserve	--	157.86
Transfer to Statutory Reserve	561.79	505.92
Earnings Per Share		
Basic (in ₹)	7.71	7.95
Diluted (in ₹)	7.71	7.95

The Company achieved a net profit of ₹ 2,808.93 Lakh for the financial year ended 31st March 2025 as compared to ₹ 2,427.84 Lakh for the financial year ended 31st March 2024, registering an impressive year on year growth of 15.70%, driven by the robust growth in gold loan and onboarding of new customers.



Profit before tax was at ₹ 3,802.72 Lakh for the financial year ended 31st March 2025 as compared to ₹ 3,293.84 Lakh for the financial year ended 31st March 2024.

Total income has increased to ₹ 16,642.62 Lakh for the financial year ended 31st March 2025 from ₹ 13,177.91 Lakh for the financial year ended 31st March 2024, primarily on account of increase in Interest income of the Company. Interest income of the Company increased to ₹ 16,307.19 Lakh from the previous year's interest income of ₹ 12,903.59 Lakh, a year on year growth of 26.38%.

11. Resource Mix

Borrowings:

As on 31st March 2025, the Company had outstanding total borrowings of ₹ 73,669.19 Lakh as follows:

SN	Nature of Borrowings	Amount Outstanding (₹ in Lakh)	Percentage (%)
1	Secured borrowings	53,039.70	72
2	Unsecured borrowings	20,629.49	28
	Total Borrowings	73,669.19	100

Assets Under Management (AUM):

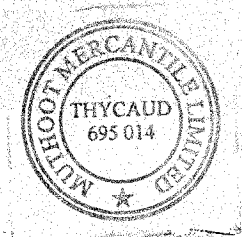
During the period under review, the AUM of the Company stood at ₹ 89,673.47 Lakh as on 31st March 2025 against ₹ 70,227.26 Lakh as on 31st March 2024.

Debt to Equity ratio (Leverage ratio):

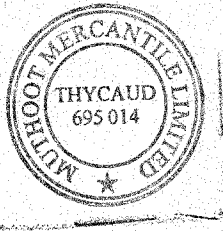
The debt equity ratio of the Company as on 31st March 2025 was 3.96 times. As per the prudential norms, the leverage ratio of NBFCs (except NBFC-MFIs, NBFCs-ML and above) shall not be more than 7 at any point of time and the debt equity ratio of the Company is within the stipulated limits.

Non-Convertible Debentures:

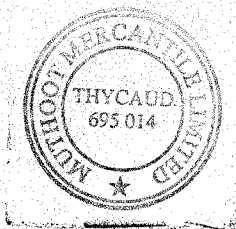
The Company has issued by way of public issue, secured, unlisted, redeemable, non-convertible debentures of which ₹ 29,095.57 Lakh is outstanding as on 31st March 2025, the details of which are set forth as follows:



Public Issue	Series	ISIN	Amount outstanding (₹ in Lakh)	Allotment Date	Tenure/ Maturity Period	Maturity Date
NCD Public Issue 1	III	INE05F407BE0	353.41	21.12.2023	36 Months	21.12.2026
NCD Public Issue 1	III	INE05F407BS0	235.61	21.12.2023	36 Months	21.12.2026
NCD Public Issue 1	IV	INE05F407BC4	344.63	21.12.2023	36 Months	21.12.2026
NCD Public Issue 1	IV	INE05F407BT8	260.18	21.12.2023	36 Months	21.12.2026
NCD Public Issue 1	V	INE05F407BF7	204.27	21.12.2023	60 Months	21.12.2028
NCD Public Issue 1	V	INE05F407BN1	254.98	21.12.2023	60 Months	21.12.2028
NCD Public Issue 1	VI	INE05F407BI1	148.11	21.12.2023	60 Months	21.12.2028
NCD Public Issue 1	VI	INE05F407BP6	116.16	21.12.2023	60 Months	21.12.2028
NCD Public Issue 1	VII	INE05F407BG5	1,046.72	21.12.2023	75 Months	21.03.2030
NCD Public Issue 1	VII	INE05F407BM3	881.42	21.12.2023	36 Months	21.12.2026
NCD Public Issue 1	VIII	INE05F407BH3	381.38	21.12.2023	36 Months	21.12.2026
NCD Public Issue 1	VIII	INE05F407BO9	268.86	21.12.2023	36 Months	21.12.2026
NCD Public Issue 1	IX	INE05F407BB6	1,188.78	21.12.2023	36 Months	21.12.2026
NCD Public Issue 1	IX	INE05F407BL5	1,030.72	21.12.2023	60 Months	21.12.2028
NCD Public Issue 1	X	INE05F407BJ9	37.01	21.12.2023	60 Months	21.12.2028
NCD Public Issue 1	X	INE05F407BQ4	104.05	21.12.2023	60 Months	21.12.2028
NCD Public Issue 1	XI	INE05F407AZ7	1,251.32	21.12.2023	60 Months	21.12.2028
NCD Public Issue 2	S01	INE05F407BZ5	842.53	27.05.2024	367 DAYS	29.05.2025
NCD Public Issue 2	S02	INE05F407CA6	653.35	27.05.2024	367 DAYS	29.05.2025
NCD Public Issue 2	S07	INE05F407CB4	1,151.83	27.05.2024	36 Months	29.05.2025
NCD Public Issue 2	S10	INE05F407CC2	112.76	27.05.2024	60 Months	29.05.2025



NCD Public Issue 2	S08	INE05F407CD0	349.50	27.05.2024	36 Months	29.05.2025
NCD Public Issue 2	S11	INE05F407CE8	784.84	27.05.2024	75 Months	27.07.2030
NCD Public Issue 2	S04	INE05F407CF5	222.24	27.05.2024	18 Months	26.11.2025
NCD Public Issue 2	S06	INE05F407CG3	142.81	27.05.2024	24 Months	27.05.2026
NCD Public Issue 2	S09	INE05F407CH1	732.43	27.05.2024	60 Months	27.05.2029
NCD Public Issue 2	S05	INE05F407CI9	250.90	27.05.2024	24 Months	27.05.2026
NCD Public Issue 2	S03	INE05F407CJ7	145.37	27.05.2024	18 Months	26.11.2025
NCD Public Issue 3	S02	INE05F407CK5	811.07	11.09.2024	400 Days	16.10.2025
NCD Public Issue 3	S08	INE05F407CL3	71.36	11.09.2024	60 Months	11.09.2029
NCD Public Issue 3	S05	INE05F407CM1	2,556.90	11.09.2024	36 Months	11.09.2027
NCD Public Issue 3	S04	INE05F407CN9	286.42	11.09.2024	20 Months	11.05.2026
NCD Public Issue 3	S07	INE05F407CO7	1,473.70	11.09.2024	60 Months	11.09.2029
NCD Public Issue 3	S03	INE05F407CP4	276.18	11.09.2024	20 Months	11.05.2026
NCD Public Issue 3	S06	INE05F407CQ2	447.79	11.09.2024	36 Months	11.09.2027
NCD Public Issue 3	S09	INE05F407CR0	1,171.50	11.09.2024	73 Months	11.10.2030
NCD Public Issue 3	S01	INE05F407CS8	1,253.65	11.09.2024	400 Days	16.10.2025
NCD Public Issue 4	S04	INE05F407CT6	182.39	29.01. 2025	20 months	29.09.2026
NCD Public Issue 4	S01	INE05F407CU4	1,194.87	29.01. 2025	400 days	05.03.2026
NCD Public Issue 4	S02	INE05F407CV2	1,427.60	29.01. 2025	400 days	05.03.2026
NCD Public Issue 4	S05	INE05F407CW0	1,625.13	29.01. 2025	36 months	29.01.2028
NCD Public Issue 4	S06	INE05F407CX8	381.50	29.01. 2025	36 months	29.01.2028
NCD Public Issue 4	S07	INE05F407CY6	919.59	29.01. 2025	60 months	29.01.2030



NCD Public Issue 4	S08	INE05F407CZ3	67.46	29.01. 2025	60 months	29.01.2030
NCD Public Issue 4	S03	INE05F407DA4	143.42	29.01. 2025	20 months	29.09.2026
NCD Public Issue 4	S09	INE05F407DB2	1,028.74	29.01. 2025	73 months	27.02.2031

12. SWOT Analysis

Strengths:

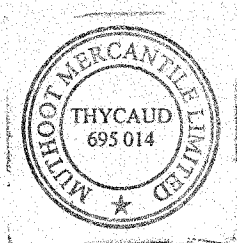
- Board of Directors comprising experienced personnel having years of experience and business outlook.
- Strong management team with superior understanding of market segment and a strong network.
- Strong internal controls systems and processes.
- A deep-rooted understanding of client needs, founded on trust and sustained relationships.
- An asset book that is rigorously managed, demonstrating consistent growth in AUM and strategic risk management practices.
- Quick response time along with strong risk mitigation framework.

Weaknesses:

- As an NBFC, the Company faces comparatively higher borrowing costs than traditional banking institutions, which adversely affects its profit margins.
- As a non-deposit-taking NBFC, the Company is restricted from mobilising retail public deposits. This limits access to long-tenure, low-cost funding and increases dependence on market instruments, bank borrowings, and institutional financing.
- The Company's loan book is heavily reliant on gold loan, rendering it susceptible to economic contractions and downturns.

Opportunities:

- Broadening access to credit in underpenetrated regions holds significant potential for driving business growth and fostering economic upliftment.
- Introducing innovative products will substantially enrich revenue streams and enhance market presence.



Threats:

- Any potential tightening of NBFC regulations by the Regulator could significantly impact operational dynamics and increase compliance-related expenditures.
- A rise in interest rates may result in increased borrowing costs, thereby adversely affecting lending profitability and the overall cost structure.
- Growing competition from traditional banking institutions, digital lenders, and fintech players could potentially undermine market share and pressure margins.
- Effectively managing credit risk and addressing the challenges of non-performing assets remain a key factor for sustainability and stability in a turbulent economic climate.

13. Key Risk and Controls

Credit Risk:

This is the risk associated of recovery of capital from counterparty. The Company has a robust credit risk framework in place which includes risk assessment process, prudent approval process, robust monitoring process and strong governance to mitigate the risk.

Market Risk:

Market risk refers to the potential for financial loss arising from adverse movements in market conditions. These fluctuations include variables like interest rates, credit spreads and other critical factors, each of which can influence both profitability and capital. The Company diligently tracks market trends, policy modifications, and regulatory shifts within the NBFC sector, empowering the Company to proactively refine its strategic response. By maintaining a forward-thinking stance, the Company consistently monitors market risks and strengthens its loan portfolio with a comprehensive risk management system.

Operational Risk:

Operational risk pertains to the chance of financial losses due to flaws or failures in internal operations, human resources, technological infrastructure, or organisational configurations. It can also arise from deficiencies in both regulatory and internal compliance frameworks, as well as from unpredictable external factors. The Company has a methodical approach to identifying, assessing, managing and mitigating risks across various departments. Moreover, comprehensive contingency protocols are in place to protect data security and ensure quick recovery from force majeure events.

Interest Rate Risk:

The potential for financial loss stemming from adverse shifts in interest rates, impacting lending operations. This risk is a fundamental determinant of Company's net interest income and overall



financial profitability, significantly influencing its fiscal stability. The Company ensures strict compliance with regulatory mandates governing asset and liability management. The Company conducts an in-depth evaluation of rate-sensitive assets and liabilities, meticulously assessing the alignment between the maturity profiles of its loan book and fluctuations in interest rates.

Liquidity Risk:

This risk arises when the Company faces obstacles in meeting its financial commitments within the stipulated deadlines or as per the agreed schedules. The Company has instituted robust controls and mechanisms for ensuring effective management of liquidity. By vigilantly monitoring capital adequacy and asset exposures, the Company systematically assesses its potential funding requirements. The Company maintains a diversified and resilient funding base, drawing capital from an array of sources including banks, financial institutions and through issue of securities thereby ensuring ample financial flexibility.

Information Technology Risk:

This risk arises from systemic failures in IT infrastructure or breaches in data security, which can trigger operational disruptions and incur severe financial repercussions. In order to mitigate risks associated with information technology, the Company has implemented a robust IT risk management framework, incorporating rigorous checks, controls, and preventative safeguards.

Cybersecurity Risk:

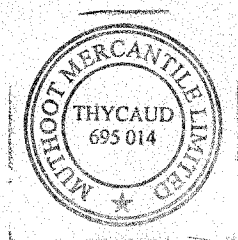
With the mounting reliance on digital ecosystems and internet-based functionalities, the peril of cyber attacks and hacking has substantially increased. To strengthen its cybersecurity posture, the Company conducts frequent testing, proactively seeking and addressing potential vulnerabilities in its IT infrastructure and network. The implementation of stringent fraud prevention mechanisms reinforcing the Company's commitment to comprehensive cyber security resilience.

14. Roadmap for the Financial Year

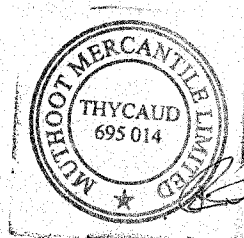
The Company will use a cautious approach to lending as it gets ready for another year of a difficult economic climate. Compared to many of its rivals in the market, the Company is in a better position to take advantage of opportunities because of its healthy balance sheet and liquidity profile. Significant progress along the path of the Company's development. To establish a robust sourcing engine, the Company will keep opening new locations in the states where it already operates in order to expand its footprint. On the liability side, a major focus for this year will be on diversifying the mix of liabilities by bringing in new lenders and looking at alternative liability channels.

15. Cautionary Statement

This Management Discussion and Analysis Report may include some "forward-looking" statements that are based on a number of assumptions about the Company's current and future operations, environment and strategies in which it functions. Due to risk and uncertainty, real-world outcomes may vary significantly or materially from what is said or implied. These uncertainties include the



national and global effects of economic and political circumstances, fluctuations in interest rates, and changes in regulations and policies affecting the Company's operations and additional relevant considerations. The data and information mentioned here have been collected by the Company from sources thought to be trustworthy or from its own internal assessments, the correctness and completeness of which cannot be assured.



For and on behalf of the Board of Directors

Thiruvananthapuram
03.09.2025

Richi Mathew
Managing Director
DIN: 00224336

Mathew Mathainan
Chairman & Whole Time Director
DIN: 00063078

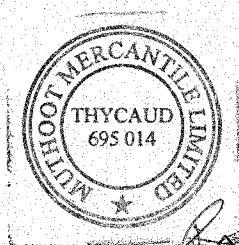
Annexure V

Remuneration details under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended for the financial year ended 31st March 2025

SN	Name of Director/ Key Managerial Personnel	Category	Ratio of remuneration of each Director to median remuneration of employees	% increase in remuneration in the financial year 2024-25
1	Mathew Mathaininan	Chairman and Whole-Time Director	126:1	Nil
2	Richi Mathew	Managing Director	395:1	Nil
3	Ammini Mathew	Whole-Time Director	126:1	Nil
4	Asha Richi Mathew	Non-Executive Director	63:1	Nil
5	Dillark Justin	Independent Director	--	Nil
6	Antony Robert John	Independent Director	--	Nil
7	M.R.Rajeev	Chief Financial Officer	Not Applicable	9.56
8	Arun Kumar V.K	Company Secretary	Appointed on 06.03.2025	Not Applicable

Notes on disclosures under Rule 5(1)

- % increase in the median remuneration of employees in the financial year 2024-25: 5.55
- Number of permanent employees on the rolls of the Company as on 31st March 2025: 1,054
- For employees other than managerial personnel, the average increase made in the remuneration was 4.33%. The average increase in remuneration for managerial personnel in financial year 2024-25 was 9.56%. Percentage increase in remuneration of managerial personnel is determined based on the performance of the Company.
- The remuneration paid as above was as per the Remuneration Policy of the Company



For and on behalf of the Board of Directors

Thiruvananthapuram
03.09.2025

Richi Mathew
Managing Director
DIN: 00224336

Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Annexure VI

Disclosure pursuant to Part A of Schedule V read with Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

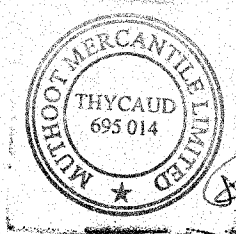
SN	Loans and advances in the nature of loans	Amount outstanding as at 31.03.2025	Maximum amount outstanding during the year
1	To Subsidiaries	Nil	Nil
2	To Associates	Nil	Nil
3	To Firms/ Companies in which directors are interested (other than 1 and 2 above)	Nil	Nil
4	Investments by the loanee in the shares of parent company and subsidiary company when the company has made a loan or advance in the nature of loan	Nil	Nil

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the listed entity:

Related party transactions during the year:

(₹ in Lakh)

Particulars	Mathew Mathaininan	Richi Mathew	Reena Verghese
Commission paid	150.12	150.12	--
Remuneration paid	24.00	75.00	--
Rent paid	16.35	--	--
Sitting fee paid	0.45	0.45	--



For and on behalf of the Board of Directors

Thiruvananthapuram
03.09.2025

Richi Mathew
Managing Director
DIN: 00224336

Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Partners:

CS Puzhankara Sivakumar M.com, FCMA, FCS
 CS Syam Kumar R. BSc, FCS, LLB, IP, DARB (ICSI)
 CS Madhusudhanan E.P. M.com, FCS, FCMA, IP, RV, DIA (ICSI)

CS Anju Panicker BA, LLB (Hons.), ACS
 CS Ruchira Jharkhandi B.Com, ACS, LLB
 CS Revathi K S BSc, ACS
 CS Saranya T V B.Com, ACS

Form No. MR-3**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31st MARCH 2025

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

To

The Members

Muthoot Mercantile Limited

1st Floor, North Block, "Muthoot Floors",
 Opposite W&C Hospital, Thycaud,
 Thiruvananthapuram, Kerala – 695014.

We, SEP & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Muthoot Mercantile Limited [CIN: U65921KL1997PLC011260]** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have conducted physical verification and examination of the books, papers, minute books, forms and returns filed and other records facilitated by the Company, for issuing the report for the financial year ended on 31st March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act 1956("SCRA") and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye -laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended;

- c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021;
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended;
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended;
- (vi) As informed to us, the following Regulations and Guidelines prescribed under the Reserve Bank of India Act, 1934 applicable to Non-Banking Financial Companies (Non-Deposit Accepting or Holding) are specifically applicable to the Company:
- a) Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023;
 - b) Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;
 - c) Master Direction - Information Technology Framework for the NBFC Sector;
 - d) Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024;
 - e) Master Direction – Reserve Bank of India (Filing of Supervisory Return) Direction - 2024;
 - f) Guidelines for Asset-Liability Management (ALM) system in Non-Banking Financial Companies;
 - g) Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016;
 - h) Master Direction - Know Your Customer (KYC) Direction, 2016;
 - i) Non-Banking Financial Companies - Corporate Governance (Reserve Bank) Directions, 2015;
 - j) Know Your Customer (KYC) Guidelines- Anti Money Laundering Standards and Know Your Customer (KYC) Direction, 2016;
- (vii) The Prevention of Money Laundering Act, 2002 and the Regulations and Bye-laws framed thereunder;
- (viii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal), Act 2013

We have also examined the compliances with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India relating to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2)

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc., mentioned above subject to the following observations:

- a. There was a delay in submission of the notice of Record Date for the month ended March 2024 with BSE as per Regulation 60(2) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. BSE Limited had imposed a fine of Rs. 1,18,000/- on the Company for the same, which was duly paid after deducting TDS at applicable rate for statutory compliance.
- b. There was a delay in submission of the notice of Record Date for the month ended September 2024 with BSE as per Regulation 60(2) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. BSE Limited had imposed a fine of Rs. 47,200/- on the Company for the same, which was duly paid after deducting TDS at applicable rate for statutory compliance.

We further report that:

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days and where the same were given at Shorter Notice, less than 7 (seven) days, proper consent thereof were obtained in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings and Committee Meetings were unanimous and the same was captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period, allotment of following securities has taken place:

Sl. No	Method of Issue	Date of Allotment	Particulars
1.	Public Issue	27-05-2024	5,38,856 Secured Redeemable Non-Convertible Debentures of Rs. 1000/- each amounting to a total of Rs. 53,88,56,000/-
2.	Public Issue	11-09-2024	8,34,851 Secured Redeemable Non-Convertible Debentures of Rs. 1000/- each amounting to a total of Rs. 83,48,51,000/-
3.	Public Issue	29-01-2025	6,97,070 Secured Redeemable Non-Convertible Debentures of Rs. 1000/- each amounting to a total of Rs. 69,70,70,000/-

We further report that during the period under review, the following special resolutions were passed by the members of the Company under the Companies Act, 2013:

Date of Resolution	Legal Provision	Special Resolution
30.09.2024	Section 188 of the Companies Act, 2013	Authorisation of Related Party Transactions; Payment of rent to Mr. M. Mathew (DIN: 00063078), Whole Time Director and Mrs. Ammini Mathew (DIN: 00533771), Whole Time Director of the Company.
30.09.2024	Section 180 of the Companies Act, 2013	Issue of Subordinate Debts in the nature of promissory note for the FY-2024-2025.
30.09.2024	Section 180 of the Companies Act, 2013	To authorise the Board of Directors to mortgage, create charge on all or any of the assets of the Company.
30.09.2024	Section 180 of the Companies Act, 2013	Approval of Borrowing Limits of such sum or sums of monies to be borrowed, together with the monies already borrowed by the Company, may exceed the aggregate of its Paid-Up Capital and free reserves of the Company, provided however the total amount so borrowed shall not exceed Rs. 14,00,00,00,000/- (Rupees One Thousand Four Hundred Crores Only).

We further report that during the audit period there were no instances of:

- i. Issuance of securities including Public/ Right/ Preferential issue of securities other than those mentioned above;
- ii. Major decisions taken by the members under the Companies Act, 2013 other than those mentioned above;
- iii. Buy-back of securities
- iv. Merger/amalgamation/ reconstruction;
- v. Foreign technical collaborations.

We further report that during the period under review Non-Convertible Debentures amounting to Rs. 24,50,61,261/- (Rupees Twenty-Four Crore Fifty Lakh Sixty-One Thousand Two Hundred and Sixty-One Only) were redeemed.

This report is to be read with **Annexure A** of even date and the same forms an integral part of this report.

For SEP & Associates
Company Secretaries
(Peer Review Certificate no. 6780/2025)

UDIN: F003050G001156675

CS Puzhankara Sivakumar
Managing Partner
M. No.: F3050 COP: 2210

Date: 03.09.2025
Place: Kochi

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members
Muthoot Mercantile Limited,
1st Floor, North Block, "Muthoot Floors",
Opposite W&C Hospital, Thycaud,
Thiruvananthapuram, Kerala – 695014.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility as the Secretarial Auditor is to express an opinion on these secretarial records, based on our audit.
2. During the audit, we have followed the practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc., wherever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2025 but before the issue of this Report.

For SEP & Associates
Company Secretaries
(Peer Review Certificate no. 6780/2025)

UDIN: F003050G001156675

CS Puzhankara Sivakumar
Managing Partner
M. No.: F3050 COP: 2210

Date: 03.09.2025

Place: Kochi

INDEPENDENT AUDITOR'S REPORT

To
The Members of Muthoot Mercantile Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Muthoot Mercantile Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of material 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



Key Audit Matters

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

Key Audit Matter	How addressed in audit
The Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD), Probability at Default (PD) and Loss Given Default (LGD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.	Our audit procedures relating to expected credit losses included appropriate test checks based on the concepts of materiality and sampling. These procedures were performed to verify and validate that the expected credit losses recognized in the financial statements were in accordance with the Board-approved policy, were arithmetically accurate, and that the related disclosures made by management were appropriate. We have also test checked on sample basis to verify the classification of loans is as per ECL/RBI norms.
Compliance and disclosure requirements under the applicable Indian Accounting Standards, RBI Guidelines and other applicable statutory, regulatory and financial reporting framework.	<ul style="list-style-type: none"> - We have assessed the systems and processes laid down by the company to appropriately ensure compliance and disclosures as per the applicable Indian Accounting Standards, RBI Guidelines and other applicable statutory, regulatory and financial reporting framework. - We have designed and performed audit procedures to assess the completeness and correctness of the details disclosed having regard to the assumptions made by the management in relation to the applicability and extent of disclosure requirements; and have relied on internal records of the company, management confirmations /explanations and external confirmations wherever necessary.



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Key Audit Matter	How addressed in audit
The company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily. Accordingly, our audit was focused on key IT systems and controls due to the pervasive impact on the financial statements	<ul style="list-style-type: none"> - We obtained an understanding of the Company's IT control environment and key changes during the audit period that may be relevant to the audit. - We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the financial statements and alternate procedures were applied to verify and confirm the reasonableness of management's judgement wherever limitations were noted in the software.

Information Other than the Financial Statements and Auditor's Report thereon (Other Information)

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report of the Company for the financial year ended March 31, 2025 but does not include the financial statements and our auditor's report thereon. The reports containing the Other information as above is expected to be made available to us after the date of this Auditor's report.

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

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

When we read the reports containing the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

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



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

Other Matters

The financial statements of the Company for the year ended March 31, 2024 were audited by the predecessor auditor whose report dated May 29, 2024 expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of the above matter

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial statement reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer Note 33 to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 48 to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 48 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year. Hence, the compliance with the provisions of Section 123 of the Act is not applicable to the Company for the financial year.
- vi. Based on the confirmation provided by the management, the company has used accounting software applications for maintaining its books of account which has a feature of recording audit trail (edit log) facility. As per the management representation provided to us the same has operated throughout the year for all relevant transactions recorded in the software and has not been tampered with, and audit trail has been preserved as per statutory requirement for record retention. The above features in audit trail have been test checked by us at random and we did not come across any instances of deviations relating to above.

For Varma & Varma
Chartered Accountants
FRN : 004532S

Rajeev R
Partner

Membership No.: 211277

UDIN: 25211277BMKORA3661

Place: Thiruvananthapuram

Date: 30.05.2025



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ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MUTHOOT MERCANTILE LIMITED FOR THE YEAR ENDED MARCH 31, 2025.

1.

a)

- i) The Company is maintaining branch-wise records showing particulars of the Property, Plant and Equipment of the Company and other assets. In the absence of consolidated register, the details thereof could not be reconciled with financial accounts to ensure completeness thereof.
- ii) The Company is maintaining certain records showing particulars of the Intangible assets of the Company the values of which is noted to be not material.
- b) According to the information and explanation given to us the company has a program of conducting physical verification of Property, Plant and Equipment on a periodic basis. However, the records for conducting physical verification of Property, Plant and Equipment were not available for our review and hence we are not in a position to comment on the reporting requirements of clause 1(b) of paragraph 3 of the Order.
- c) According to the information and explanations given to us and the records of the Company examined by us, 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) According to the information and explanations given to us and the records of the Company examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence the reporting requirements under the Clause (i)(d) of Para 3 of the Order is not applicable at this stage.
- e) According to the information and explanations given to us and the records of the Company examined by us, there are no proceedings initiated or pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.



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2.

- a) The Company does not hold any inventory and hence, the reporting requirements under Clause (ii)(a) of Para 3 of the Order are not applicable to the Company at this stage.
- b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions during the year on the basis of security of current assets. In our opinion, based on a comparison, the quarterly statements of receivables filed by the company with such banks and financial institutions were seen to be in agreement with the books of account of the Company (which have not been audited as at the quarters ended June 30, 2024, September 30, 2024 and December 31, 2024)

3.

- a) The company is a Non-Banking Financial Company (NBFC) whose principal business is to give loans. Therefore, the provisions of Clause (iii)(a) of Para 3 of the Order are not applicable to the company.
- b) In our opinion, the investments made, guarantee provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest have been stipulated, where ever applicable. Being a Non-Banking Finance company engaged in the business of granting loans, there are instances where repayment of principal amounts and payment of interest is not received as per stipulated terms for which the company has provided impairment allowance for expected credit losses, to the extent considered required as per Ind AS. Having regard to the nature of business undertaken by the company, and volume, specific details of such loans and advances, which are not repaid by borrowers as per stipulations are not fully reported, however particulars of loans overdue for more than ninety days as per books of accounts as at Balance Sheet date have been reported in Para (d) below.
- d) In respect of loans granted by the Company, the total amount overdue for more than ninety days as per books of account as at the balance sheet date is as under:

(Rs. In Lakhs)

No. of cases	Principal Amount Overdue	Interest Overdue*	Total Overdue
1203	780.24	265.39	1,045.63

*Interest accrued on the overdue for more than 90 days is not recognized in the books of accounts

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

- e) The company is a Non-Banking Financial Company (NBFC) whose principal business is to give loans. Therefore, the provisions of Clause (iii)(e) of Para 3 of the Order are not applicable to the company
 - f) In our opinion and according to the information and explanations made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
4. According to the information and explanations given to us and the records of the Company examined by us, the Company has not given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013. The provisions of section 186 of the Act with respect to loans, guarantee and security are not applicable to the Company being a Non-Banking Financial Company and the investments made by the Company are in compliance with the provisions of section 186 of the Act.
 5. The Company has not accepted any deposits or any amounts deemed to be deposits from the public during the year which attracts the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company, the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder are not applicable to the Company.
 6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the services rendered by the Company at this stage.
 7.
 - a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable to the Company, with the appropriate authorities during the year except for a minor delay in one instance for an amount of Rs 0.12 lakhs.
 - b) According to the information and explanations given to us and the records of the Company examined by us, there are no arrears of undisputed statutory dues outstanding as on the last day of the financial year for a period of more than six months from the date on which they become payable.



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- c) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts of goods and services tax, provident fund, employee's state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues to be deposited as at March 31, 2025 except for the following disputed amounts of Income tax not been deposited with the authorities as at March 31, 2025.

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates (financial year)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	61.92	2020-21 (AY 2021-22)	Application for rectification pending before assessing officer
Income Tax Act, 1961	Income Tax	0.86	2019-20 (AY 2020-21)	Application for rectification pending before assessing officer
Income Tax Act, 1961	Income Tax	49.08	2016-17 (AY 2017-18)	Application for rectification pending before assessing officer

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

9.

- a) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the Company has not defaulted in repayment of loans or other borrowings or in payment of interest to any lender.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.



Varma & Varma

Chartered Accountants

- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) The company does not have any subsidiaries, associates or joint ventures, therefore clause (ix)(e) of Para 3 of the Order is not applicable to the company.
- f) The company does not have any subsidiaries, associates or joint ventures, therefore clause (ix)(f) of Para 3 of the Order is not applicable to the company

10.

- a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised monies by way of initial public offer or further public offer other than for the public offer of debt instruments. According to the information and explanations given to us and the records of the Company examined by us monies raised by way of public offer of debt instruments during the year were applied for the purposes of which those were raised.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment (private placement) of shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirements under clause (x)(b) of Para 3 of the Order is not applicable to the Company.

11.

- a) To the best of our knowledge and according to the information and explanations given to us, there have been instances of fraud on the company by its employees/customers amounting to Rs.86.66 lakhs during the year as included in Note 44(9)(p) to the financial statement. No fraud by the company has been noticed or reported during the year, nor have we been informed of any such case by the management.
- b) No report under Section 143(12) of the Act has been filed in Form ADT-4 regarding any frauds, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not received whistle-blower complaints during the year.

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



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Chartered Accountants

13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are as confirmed by the management to be in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in Note 38 to the financial statements as required by the applicable accounting standards. In the absence of comparable benchmarking evidences, we have relied on management certificate in this regard.
- 14.
- In our opinion and based on our review of the extent of internal audit coverage and examination of internal audit reports issued during the year, the existing internal audit system of the company in force offers scope for strengthening and improvement to commensurate with the size and nature of its business.
 - We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of Para 3 of the Order is not applicable.
- 16.
- The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the company has obtained the required registration.
 - According to the information and explanations given to us and the records of the Company examined by us, the Company has not conducted any Non-Banking financial or Housing Finance Activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - According to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the Regulations by the Reserve Bank of India and hence the reporting requirements under clause (xvi) (c) of Para 3 of the Order is not applicable.
 - According to the information and explanations given to us, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the reporting requirement under clause (xvi) (d) of Para 3 of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year, hence the reporting requirement under clause (xviii) of Para 3 of the Order is not applicable.

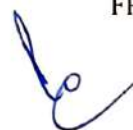


Varma & Varma

Chartered Accountants

19. According to the information and explanations given to us and the records of the Company examined by us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets, payment of financial liabilities and other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20.
- a) According to the information and explanations given to us and the records of the Company examined by us, there are no unspent amount towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects requiring a transfer to the Fund specified in Schedule VII to the Act in compliance with second proviso to Section 135(5) of the Act. Hence, the reporting requirements under clause (xx)(a) of paragraph 3 of the Order is not applicable to the Company.
 - b) According to the information and explanations given to us and the records of the Company examined by us, there are no amounts remaining unspent under section 135 (5) of the Act, pursuant to any ongoing project. Hence, the reporting requirements under clause (xx)(b) of paragraph 3 of the Order is not applicable to the Company.
21. According to the information and explanations provided to us and based on our verification of the records of the Company, the reporting requirements under this clause is not applicable to the Company as the Company is not required to prepare consolidated financial statements.

For Varma & Varma
Chartered Accountants
FRN.: 004532S



Rajeev R
Partner

Membership No.: 211277

UDIN: 25211277BMKORA3661

Place: Thiruvananthapuram
Date: 30.05.2025



Varma & Varma

Chartered Accountants

ANNEXURE B REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MUTHOOT MERCANTILE LIMITED FOR THE YEAR ENDED MARCH 31, 2025

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

We have audited the internal financial control systems with reference to financial statements reporting of Muthoot Mercantile Limited (“the Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

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



Varma & Varma

Chartered Accountants

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

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

Meaning of Internal Financial Controls with reference to Financial Statements reporting

A Company's internal financial controls system with reference to financial statements reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls system with reference to financial statements reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) 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 Limitations of Internal Financial Controls with reference to Financial Statements reporting

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



Varma & Varma

Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements reporting and such internal financial controls system with reference to financial statements reporting were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. However, certain features in software in use for transactions offers scope for improvement.

For Varma & Varma
Chartered Accountants
FRN.: 004532S

Rajeev R
Partner

Membership No.: 211277

UDIN : 25211277BMK0RA3661

Place: Thiruvananthapuram
Date: 30.05.2025



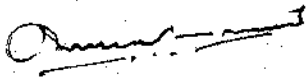
MUTHOOT MERCANTILE LIMITED**Balance Sheet as at 31st March 2025***(All amounts are in Lakhs unless otherwise stated)*

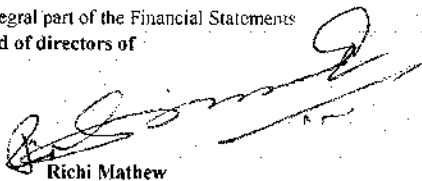
	Notes	As at 31st March 2025	As at 31st March 2024
ASSETS			
(I) Financial Assets			
(a) Cash and Cash Equivalents	5	925.47	1,070.33
(b) Bank Balances other than (a) above	6	2,731.23	2,285.62
(c) Derivative financial instruments	7	17.81	-
(d) Loans	8	89,050.04	70,101.81
(e) Other Financial Assets	9	589.79	460.27
		93,314.34	73,918.03
(II) Non-Financial Assets			
(a) Deferred Tax Assets (Net)	34	246.47	246.79
(b) Property, Plant and Equipment	10	967.84	642.01
(c) Other Intangible Assets	11	1.87	1.56
(d) Right-of-Use Asset	12	4,245.11	4,176.39
(e) Other Non-Financial Assets	13	304.37	220.64
		5,765.66	5,287.39
TOTAL ASSETS		99,080.00	79,205.42
LIABILITIES AND EQUITY			
Liabilities			
(I) Financial Liabilities			
(a) Derivative Financial Instruments	7	54.45	-
(b) Payables			
Trade Payables	14		
(A) total outstanding dues of micro and small enterprises		48.71	23.95
(B) total outstanding dues of creditors other than micro and small enterprises		124.57	144.33
(c) Debt Securities	15	31,977.09	14,626.37
(d) Borrowings (Other than Debt Securities)	16	21,062.61	19,275.99
(e) Subordinated Liabilities	17	20,629.49	23,300.00
(f) Lease Liabilities	12	4,818.22	4,627.97
(g) Other Financial Liabilities	18	613.70	355.95
		79,328.84	62,354.56
(II) Non-Financial Liabilities			
(a) Current tax liabilities (Net)		180.25	175.02
(b) Provisions	19	191.74	117.92
(c) Other Non-Financial Liabilities	20	150.04	91.74
		522.03	384.68
(III) Equity			
(a) Equity Share Capital	21	3,641.87	3,641.87
(b) Other Equity	22	15,587.26	12,824.31
		19,229.13	16,466.18
TOTAL LIABILITIES AND EQUITY		99,080.00	79,205.42

Accompanying Notes are an integral part of the Financial Statements

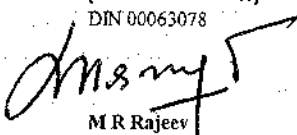
For and on behalf of the board of directors of
Muthoot Mercantile Limited


As per our report of even date attached


M Mathew
 [Wholetime Director]
 DIN 00063078


Richi Mathew
 [Managing Director]
 DIN 00224336

For Varma & Varma
 Chartered Accountants
 FRN 004532S


M R Rajeev
 [Chief Financial Officer]
 Place: Thiruvananthapuram
 Date: 30th May 2025


Arun Kumar V K
 [Company Secretary]


Rajeev R
 (Partner)
 M.No.211277

Place: Thiruvananthapuram
 Date: 30th May 2025



MUTHOOT MERCANTILE LIMITED**Statement of Profit and Loss for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)*

Particulars	Notes	Year ended 31st March 2025	Year ended 31st March 2024
Revenue from Operations			
Interest Income	23	16,307.19	12,903.59
Fees and Commission Income	24	99.84	215.42
I Total Revenue from Operations		16,407.03	13,119.01
II Other Income	25	235.59	58.90
III Total Income (I+II)		16,642.62	13,177.91
Expenses			
Finance Costs	26	7,297.38	5,374.45
Impairment on Financial Instruments	27	447.98	102.38
Employee Benefits Expenses	28	3,145.28	2,644.68
Depreciation and Amortisation Expense	29	962.19	863.60
Other expenses	30	987.07	898.96
IV Total Expenses		12,839.90	9,884.07
V Profit before Tax (III-IV)		3,802.72	3,293.84
Tax Expense:			
(a) Current Tax	34	963.95	930.86
(b) Deferred Tax (Income)/Expense		15.79	(64.86)
(c) Tax related to prior years		14.05	-
VI Total tax expense		993.79	866.00
VII Profit for the year (V-VI)		2,808.93	2,427.84
Other Comprehensive Income/(Expense)			
(i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurement Gains/ (Losses) on Defined Benefit Plan		6.76	17.10
(b) Change in value of forward element of forward contract		(6.84)	-
Tax related to above		0.02	(5.33)
(ii) Items that will be reclassified to Profit and Loss			
(a) Effective portion of gain/(loss) on hedging instruments in cash flow hedges		(61.37)	-
Tax related to above		15.45	-
VIII Total Other Comprehensive Income/(Expense)		(45.98)	11.77
IX Total Comprehensive Income/(Expense) for the year (VII+VIII)		2,762.95	2,439.61
Earnings per Equity share			
[nominal value of share-Rs.10/-]			
Basic (Rs.)	32	7.71	7.95
Diluted (Rs.)		7.71	7.95

Accompanying Notes are an integral part of the Financial Statements.

For and on behalf of the board of directors of
Muthoot Mercantile Limited

As per our report of even date attached

M Mathew
[Wholetime Director]
DIN 00063078

Richi Mathew
[Managing Director]
DIN 00224336

M R Rajeev
[Chief Financial Officer]

Arun Kumar V K
[Company Secretary]

For Varma & Varma
Chartered Accountants
FRN 004532S

Rajeev R
(Partner)
M.No 211277

Place: Thiruvananthapuram
Date: 30th May 2025

Place: Thiruvananthapuram
Date: 30th May 2025



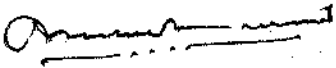
MUTHOOT MERCANTILE LIMITED**Cash Flow Statement for the Year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)*

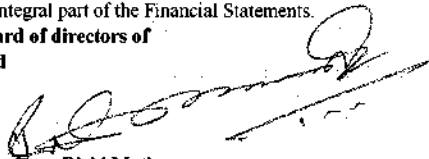
Particulars	Year ended 31st March 2025	Year ended 31st March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,802.72	3,293.84
Adjustments to reconcile Profit before tax to cash provided by operating activities:		
Depreciation, amortization and impairment	962.19	863.60
Impairment on financial instruments	447.98	102.38
Interest on security deposit	(18.68)	(14.65)
Net gain on cancellation of lease	(51.26)	(8.62)
Provision for gratuity	42.57	21.65
Provision for Compensated absence	53.50	-
Finance cost	7,297.38	5,374.45
Operating profit before working capital changes	12,536.40	9,632.65
Changes in working capital :		
Decrease / (Increase) in loans	(19,396.21)	(16,978.58)
Decrease / (Increase) in other bank balances	(445.61)	(1,444.93)
Decrease / (Increase) in other financial asset	(110.84)	9.06
Decrease / (Increase) in non-financial asset	(73.51)	(199.21)
Increase / (Decrease) in trade payables	5.00	142.34
Increase / (Decrease) in provision	(15.49)	-
Increase / (Decrease) in other financial liabilities	177.04	109.18
Increase / (Decrease) in other non-financial liabilities	58.30	42.44
Cash generated from / (used in) operations	(7,264.92)	(8,687.05)
Finance Cost paid	(6,858.79)	(4,514.30)
Income Taxes Paid	(969.04)	(789.08)
Net cash flow from/ (used in) operating activities (A)	(15,092.75)	(13,990.43)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and other intangible assets	(479.18)	(301.25)
Net cash flow from/ (used in) investing activities (B)	(479.18)	(301.25)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in debt securities	16,577.08	8,919.48
Increase / (Decrease) in borrowings (other than debt securities)	1,747.72	801.58
Increase / (Decrease) in subordinate Liabilities	(2,331.85)	847.04
Payment of lease liabilities	(565.88)	(459.65)
Proceeds from issue of equity share capital	-	700.00
Net cash flow from/ (used in) in financing activities (C)	15,427.07	10,808.45
D. Net increase/(decrease) in cash and cash equivalents (A + B + C)	(144.86)	(3,483.23)
Cash and cash equivalents at the beginning of the year	1,070.33	4,553.56
Cash and cash equivalents at the end of the year (Refer Note 5)	925.47	1,070.33

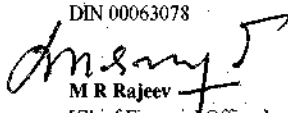
Accompanying Notes are an integral part of the Financial Statements.

For and on behalf of the board of directors of
Muthoot Mercantile Limited

As per our report of even date attached


M Mathew
 [Wholetime Director]
 DIN 00063078



Richi Mathew
 [Managing Director]
 DIN 00224336


M R Rajeev
 [Chief Financial Officer]


Arun Kumar V K
 [Company Secretary]

Place: Thiruvananthapuram
 Date: 30th May 2025

For Varma & Varma
 Chartered Accountants
 FRN.004532S


Rajeev R
 (Partner)
 M.No.211277
 Place: Thiruvananthapuram
 Date: 30th May 2025



MUTHOOT MERCANTILE LIMITEDStatement of Changes in Equity for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

I. Equity share capital

Particulars	As at 1st April 2023	Change in equity share capital during the year	As at 31st March 2024	Change in equity share capital during the year	As at 31st March 2025
Equity shares of Rs 10 each, issued, subscribed and fully paid up	2,941.87	700.00	3,641.87	-	3,641.87

II. Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income			Total
	Statutory Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934)	Capital Redemption Reserve	Impairment Reserve	General Reserve	Retained Earnings	Effective portion of Cash flow hedges	Cost of Hedging Reserve	Other items of other comprehensive income (Remeasureme nt of Defined benefit plans)	
Balance as at 1st April 2023	2,877.86	2,280.63	154.06	-	5,063.28	-	-	8.87	10,384.70
Profit for the year	-	-	-	-	2,427.84	-	-	-	2,427.84
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	-	11.77	11.77
Transfer to/from retained earnings	505.92	-	157.86	-	(663.78)	-	-	-	-
Balance as at 31st March 2024	3,383.78	2,280.63	311.92	-	6,827.34	-	-	20.64	12,824.31



MUTHOOT MERCANTILE LIMITED**Statement of Changes in Equity for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)*

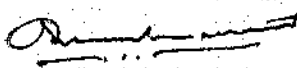
Particulars	Reserves and Surplus					Other Comprehensive Income			Total
	Statutory Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934)	Capital Redemption Reserve	Impairment Reserve	General Reserve	Retained Earnings	Effective portion of Cash flow hedges	Cost of Hedging Reserve	Other items of other comprehensive income (Remeasureme nt of Defined benefit plans)	
Balance as at 1st April 2024	3,383.78	2,280.63	311.92	-	6,827.34	-	-	20.64	12,824.31
Profit for the year	-	-	-	-	2,808.93	-	-	-	2,808.93
Other Comprehensive Income (net of tax)	-	-	-	-	-	(5.12)	(45.92)	5.06	(45.98)
Transfer to/from retained earnings	561.79	-	-	-	(561.79)	-	-	-	-
Balance as at 31st March 2025	3,945.57	2,280.63	311.92	-	9,074.48	(5.12)	(45.92)	25.70	15,587.26

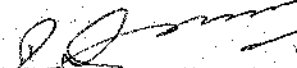
Accompanying Notes are an integral part of the Financial Statements.

For and on behalf of the board of directors of

Muthoot Mercantile Limited

As per our report of even date attached

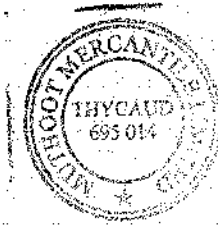

M Mathew
[Wholetime Director]
DIN 00063078


Richi Mathew
[Managing Director]
DIN 00224336



M R Rajeev
[Chief Financial Officer]


Arun Kumar V K
[Company Secretary]

Place: Thiruvananthapuram
Date: 30th May 2025



For Varma & Varma
Chartered Accountants
FRN 004532S


Rajeev R
(Partner)
M No.211277
Place: Thiruvananthapuram
Date: 30th May 2025

MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

1 Corporate Information

Muthoot Mercantile Limited (CIN:U65921KL1997PLC011260) was incorporated on 3rd March 1997, having registered office at 1st Floor, North Block, "Muthoot Floors", opposite W & C Hospital, Thycaud, Thiruvananthapuram, 695014, Kerala.

The Company obtained permission from the RBI under section 45-IA of the Reserve Bank of India Act, 1934, for carrying on the business of Non-Banking Financial Institutions on 12th December 2002 vide Certificate of Registration (CoR) No. N-16.00178 and is classified as a Base Layer Non-Deposit Taking Non Banking Financial Company (NBFC-BL).

The main object of the company is to originate, provide and service personal loans and loans against gold jewellery.

2 Basis of Preparation and Presentation of Financial Statements

2.1 Basis of preparation

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). The financial statements have been prepared on a historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values as at the end of each reporting period as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on this basis.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices;
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2; and
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

2.2 Presentation of Financial Statements

The Financial Statements are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Financial Companies ("NBFC"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and directions issued by Reserve Bank of India.

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 in the following circumstances:

- (i) The normal course of business
- (ii) The event of default
- (iii) The event of insolvency or bankruptcy of the Company and/or its counterparties.

Functional And Presentation Currency

The financial statements are presented in Indian Rupees (INR) except when otherwise indicated.

All amounts included in the financial statements are reported in Lakhs of Indian rupees (Rupees in Lakhs) except share and per share data, unless otherwise stated.



MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

3 Use of Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. 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 in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: impairment of financial instruments, provisions and contingent liabilities.

In particular, information about material 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 Liabilities

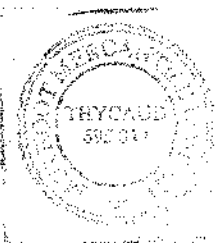
The present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. 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. The impairment loss on loans is disclosed in more detail in Note 42 Risk Management. In case, higher provisions are to be considered as per the prudential norms of the Reserve Bank of India, they are considered and routed through Impairment Reserves.



MUTHOOT MERCANTILE LIMITED**Notes to the Financial Statements for the year ended 31st March 2025**

(All amounts are in Lakhs unless otherwise stated)

E. Contingent Liabilities and Provisions Other than Impairment on Loan Portfolio

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration in the ordinary course of the Company's business. When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

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 and other fee income/expense that are integral parts of the instrument.

G. Other Estimates

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

4 Material Accounting Policies**4.1 Property Plant and Equipment**

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). 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.

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

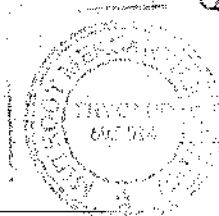
Advances paid towards acquisition of property, plant and equipment, outstanding at each Balance Sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under Capital work-in-progress.

The estimated useful lives as follows:

Particulars	Useful life estimated by company (Years)
Strong Room	20 (acquired up to 31-03-15)
	10 (Others)
Furniture And Fixtures	20 (acquired up to 31-03-15)
	10 (Others)
Vehicles	8
Office Equipments	3 (End user devices)
	6 (Servers and networks)
Office & Electrical Equipments	20 (acquired up to 31-03-15)
	10 (Others)

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate and treated as changes in accounting estimates. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.



MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

4.2 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.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

4.3 Impairment of Non-Financial Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation/amortisation if there were no impairment.

4.4 Revenue Recognition

(i) Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Company recognises interest income using effective interest rate (EIR) method as per Ind AS 109 'Financial Instruments' on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit impaired assets.

(ii) Revenue from operations other than interest income:

Revenue (other than those items to which Ind AS 109 Financial Instruments is applicable) is measured based on the consideration specified in the contracts with the customers. Amounts disclosed as revenue are net of goods and services tax ("GST") and amounts collected on behalf of third parties. The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115.

(a) Fees and Commission Income:

The company recognises the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the company will collect the consideration.

(b) Rental Income:

Income from operating leases (leasing and subleasing) are recognised in the Statement of Profit and Loss as per the contractual rentals unless another systematic basis is more representative of the time pattern in which benefits are derived from the leased assets. Revenue from leases are recognised in accordance with IndAS 116 where the company is a lessor.



MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

(c) Dividend Income:

Dividend Income is recognised once the unconditional right to receive the dividend is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

(d) Net Gain or Loss on Fair Value Change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the Balance Sheet date is recognised as an unrealised gain/ loss in the Statement of Profit and Loss. In cases there is a net gain in 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.

(e) Other Income:

Other Income are recognised on the completion of service and it is highly probable that a significant reversal of revenue is not expected to occur. The Company recognises recoveries against written off financial assets on realisation

4.5 Finance Cost

Finance costs also represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL. Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers, loan processing fees 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. Finance costs are charged to the Statement of Profit and Loss.

4.6 Financial Instruments

A. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value when the parties become party to the contractual provisions of the financial asset. In case of financial assets which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets, are adjusted to the fair value on initial recognition.

Subsequent measurement

The Company classifies its financial assets into various measurement categories. The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

a. Financial assets measured at amortised cost

A financial asset is measured at Amortised 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 Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

B. Financial Liabilities

Initial recognition and 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.



MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

C. Derecognition of financial assets and liabilities

Financial Asset

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.

Financial 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 Statement of Profit and Loss.

D. 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.

Overview of the Expected Credit Loss (ECL) model

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 categorises 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 recognises 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 recognises lifetime ECL for impaired financial assets.



MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

Estimation of Expected Credit Loss

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. Considering the different products and schemes, the Company has bifurcated its loan portfolio into various pools. For certain pools where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/ default rates as stated by external reporting agencies is considered.

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.

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 realisation of any collateral.

Forward looking information

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

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, vehicles, etc. However, the fair value of collateral affects the calculation of ECL. The collateral is majorly the property for which the loan is given. The fair value of the same is based on data provided by third party or management judgements.

4.7 Leases

As a Lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases). For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.



MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

As a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

4.8 Taxation

Income tax expense represents the sum of the tax currently payable, deferred tax and any excess/ short provision of earlier years.

Current Tax

Current tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income tax Act, 1961. 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. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

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.

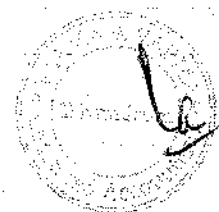
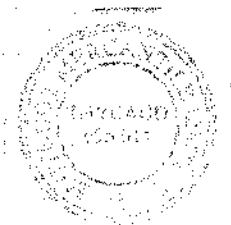
Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in Equity respectively.

4.9 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Company, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.



MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

4.10 Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities, and

(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities. Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

4.11 Earning 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 attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the diluted earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

4.12 Derivative financial instruments

The Company enters into derivative financial instruments such as foreign exchange forward contracts and cross currency swaps to manage its exposure to foreign exchange rate risk.

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The resulting gain/loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Company has designated the derivative financial instruments as cash flow hedges of recognised liabilities and unrecognised firm commitments.

Hedge accounting

In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship and the risk management objective and strategy for undertaking the hedge. Such hedges are expected to be highly effective if the hedging instrument is offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk. The assessment of hedge effectiveness is carried out at inception and on an ongoing basis to determine that the hedging relationship has been effective throughout the financial reporting periods for which they were designated.



MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

4.13 Employee Benefits

(i) Retirement benefit costs and termination benefits

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Provident Fund Scheme and Employee State Insurance Scheme are defined contribution plans.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

(ii) Other long-term employee benefits

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

4.14 Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities.

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

Cash and cash equivalents (including bank balances) shown in the Cash Flow Statement exclude items which are not available for general use as on the date of the Balance Sheet.

4.15 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

5 Cash and Cash Equivalents

Particulars	As at 31st March 2025	As at 31st March 2024
Cash on hand	551.45	702.46
Balance with banks:		
in Current Accounts (Refer Note 5.1)	374.02	367.87
	925.47	1,070.33

5.1 Balance with banks in current accounts include debit balance in overdraft accounts amounting to Rs 1.63 lakhs (31st March 2024 - Rs. 4.06 lakhs)

6 Bank Balances other than Cash and Cash Equivalents

Particulars	As at 31st March 2025	As at 31st March 2024
Deposits with original maturity of more than 3 months	-	200.00
Deposits with bank under lien (Refer note 6.1):		
-in Deposit Accounts having original maturity less than three Months	35.94	77.35
-in Deposit Accounts having original maturity more than three months	2,694.82	2,005.55
Earmarked balances with banks:		
For unpaid dividend	-	0.10
Debenture trustee account	0.47	2.62
	2,731.23	2,285.62

6.1 Deposits with bank under lien represents deposits given as security for borrowings

7 Derivative financial instruments

Particulars	As at 31st March 2025			As at 31st March 2024		
	Notional Amounts(INR)	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts(INR)	Fair Value -Assets	Fair Value - Liabilities
i) Currency derivatives:						
- Forward contracts	4,945.48	-	54.45	-	-	-
ii) Interest Rate derivatives						
- Interest rate swaps	3,499.42	17.81	-	-	-	-
Included in above are derivatives held for hedging and risk management purposes as follows:						
(i) Fair value hedging	-	-	-	-	-	-
(ii) Cash flow hedging:						
- Currency derivatives	4,945.48	-	54.45	-	-	-
- Interest rate derivatives	3,499.42	17.81	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total (i)+ (ii)+(iii)+(iv)	8,444.90	17.81	54.45	-	-	-

The Company undertakes derivative transactions for hedging its exposures to interest rate risk and foreign exchange rate risk.



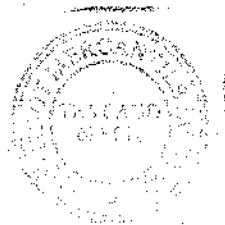
MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

8 Loans

As at 31st March 2025						
Particulars	Amortised cost	At Fair Value			Subtotal	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
Loans						
(A)						
Gold Loan	89,253.43	-	-	-	-	89,253.43
Personal Loan	420.04					420.04
Total (A) - Gross	89,673.47	-	-	-	-	89,673.47
Less: Impairment loss allowance	623.43	-	-	-	-	623.43
Total (A) - Net	89,050.04	-	-	-	-	89,050.04
(B)						
(i) Secured by tangible assets	89,253.43	-	-	-	-	89,253.43
(ii) Secured by intangible assets	-	-	-	-	-	-
(iii) Covered by Bank / Government Guarantees	-	-	-	-	-	-
(iv) Unsecured	420.04	-	-	-	-	420.04
Total (B) Gross	89,673.47	-	-	-	-	89,673.47
Less: Impairment loss allowance	623.43	-	-	-	-	623.43
Total (B) Net	89,050.04	-	-	-	-	89,050.04
(C)						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	89,673.47	-	-	-	-	89,673.47
Total (C) (I) Gross	89,673.47	-	-	-	-	89,673.47
Less: Impairment loss allowance	623.43	-	-	-	-	623.43
Total (C) (I) Net	89,050.04	-	-	-	-	89,050.04
(II) Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total (C) (II) Net	-	-	-	-	-	-
Total (C) (I) and (C)(II)	89,050.04	-	-	-	-	89,050.04

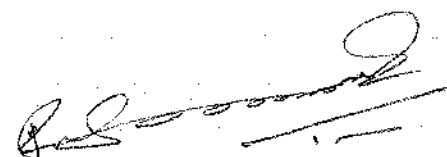
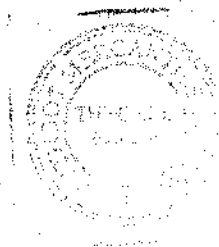


MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

As at 31st March 2024						
Particulars	At Fair Value				Subtotal	Total
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
Loans						
(A)						
Gold Loan	68,622.52	-	-	-	-	68,622.52
Personal Loan	1,654.74	-	-	-	-	1,654.74
Total (A) - Gross	70,277.26	-	-	-	-	70,277.26
Less: Impairment loss allowance	175.45	-	-	-	-	175.45
Total (A) - Net	70,101.81	-	-	-	-	70,101.81
(B)						
(i) Secured by tangible assets	68,622.52	-	-	-	-	68,622.52
(ii) Secured by intangible assets	-	-	-	-	-	-
(iii) Covered by Bank / Government Guarantees	-	-	-	-	-	-
(iv) Unsecured	1,654.74	-	-	-	-	1,654.74
Total (B) Gross	70,277.26	-	-	-	-	70,277.26
Less: Impairment loss allowance	175.45	-	-	-	-	175.45
Total (B) Net	70,101.81	-	-	-	-	70,101.81
(C)						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	70,277.26	-	-	-	-	70,277.26
Total (C) (I) Gross	70,277.26	-	-	-	-	70,277.26
Less: Impairment loss allowance	175.45	-	-	-	-	175.45
Total (C) (I) Net	70,101.81	-	-	-	-	70,101.81
(II) Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total (C) (II) Net	-	-	-	-	-	-
Total (C) (I) and (C) (II)	70,101.81	-	-	-	-	70,101.81

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

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

Particulars	As at 31st March 2025			Total
	Stage 1	Stage 2	Stage 3	
Opening Gross carrying amount	68,789.77	1,122.21	365.28	70,277.26
New Asset originated (net of repayment)	73,122.04	15,178.02	919.62	89,219.68
Assets repaid	(68,513.64)	(1,120.97)	(188.86)	(69,823.47)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(1.35)	1.35	-	-
Transfer to Stage 3	(266.21)	(1.24)	267.45	-
Closing Gross carrying amount	73,130.61	15,179.37	1,363.49	89,673.47

Particulars	As at 31st March 2024			Total
	Stage 1	Stage 2	Stage 3	
Opening Gross carrying amount	51,852.79	1,305.49	140.40	53,298.68
New Asset originated (net of repayment)	66,292.78	1,052.03	156.81	67,501.62
Assets repaid	(49,223.77)	(1,239.50)	(59.77)	(50,523.04)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(7.30)	7.30	-	-
Transfer to Stage 3	(124.73)	(3.11)	127.84	-
Closing Gross carrying amount	68,789.77	1,122.21	365.28	70,277.26

8.2 Reconciliation of ECL Balance

Particulars	As at 31st March 2025			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount	68.68	9.14	97.63	175.45
New Asset originated (net of repayment)	348.23	69.04	108.53	525.80
Assets repaid	(68.44)	(9.13)	(22.29)	(99.86)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(0.12)	0.12	-	-
Transfer to Stage 3	(0.02)	-	0.02	-
Impact of changes in credit risk on account of stage movements	(0.06)	(0.12)	22.22	22.04
Closing carrying amount	348.27	69.05	206.11	623.43



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)*

Particulars	As at 31st March 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	44.07	12.43	16.57	73.07
New Asset originated (net of repayment)	68.67	9.06	32.89	110.62
Assets repaid	(43.86)	(12.39)	(7.57)	(63.82)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(0.07)	0.07	-	-
Transfer to Stage 3	(7.38)	(0.31)	7.69	-
Impact of changes in credit risk on account of stage movements	7.25	0.28	48.05	55.58
Closing carrying amount	68.68	9.14	97.63	175.45

9 Other Financial Assets

Particulars	As at 31st March 2025	As at 31st March 2024
Security deposits	476.49	403.19
Others	113.30	57.08
	589.79	460.27



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

10 Property, Plant and Equipment

Particulars	Land	Strong Room	Furniture and Fixtures	Vehicles	Computer and Accessories	Office and Electrical Equipments	Total
Gross Block at Cost							
At 1st April 2023	4.32	293.04	632.01	186.76	191.56	396.45	1,704.14
Additions	-	44.43	137.82	-	47.41	70.46	300.12
Deletions	-	-	-	-	-	-	-
As at 31st March 2024	4.32	337.47	769.83	186.76	238.97	466.91	2,004.26
At 1st April 2024	4.32	337.47	769.83	186.76	238.97	466.91	2,004.26
Additions	-	79.39	292.06	-	68.61	108.59	548.65
Deletions	-	-	-	-	-	-	-
As at 31st March 2025	4.32	416.86	1,061.89	186.76	307.58	575.50	2,552.91
Accumulated Depreciation							
At 1st April 2023	-	184.29	356.38	156.88	171.19	255.99	1,124.73
Charge for the year	-	36.86	102.27	9.20	38.28	50.91	237.52
Deletions	-	-	-	-	-	-	-
As at 31st March 2024	-	221.15	458.65	166.08	209.47	306.90	1,362.25
At 1st April 2024	-	221.15	458.65	166.08	209.47	306.90	1,362.25
Additions	-	34.45	104.62	6.33	27.99	49.43	222.82
Deletions	-	-	-	-	-	-	-
As at 31st March 2025	-	255.60	563.27	172.41	237.46	356.33	1,585.07
Net Block							
As at 31st March 2024	4.32	116.32	311.18	20.68	29.50	160.01	642.01
As at 31st March 2025	4.32	161.26	498.62	14.35	70.12	219.17	967.84

10.1 No Property, Plant and Equipment have been revalued during the current and previous years

10.2 The title deeds of immovable property disclosed in the financial statements are held in the name of the Company



MUTHOOT MERCANTILE LIMITED

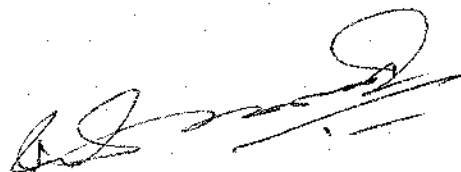
Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

11 Other Intangible Assets

Particulars	Computer Software
Gross Block at Cost	
At 1st April 2023	85.72
Additions	1.14
Disposals	-
As at 31st March 2024	86.86
At 1st April 2024	86.86
Additions	1.01
Disposals	-
As at 31st March 2025	87.87
Accumulated Amortization	
At 1st April 2023	84.85
Charge for the year	0.45
Disposals	-
As at 31st March 2024	85.30
At 1st April 2024	85.30
Charge for the year	0.70
Disposals	-
As at 31st March 2025	86.00
Net Block	
As at 31st March 2024	1.56
As at 31st March 2025	1.87

11.1 The Company has not revalued its Intangible assets during the year



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***12 Right-of-use assets and Lease Liabilities****12.1 Movement of right of use assets**

Particulars	As at	As at
	31st March 2025	31st March 2024
As at the beginning of the year	4,176.39	3,828.44
Additions	1,120.31	973.58
Disposals	312.92	-
Depreciation charge for the year	738.67	625.63
As at the end of the year	4,245.11	4,176.39

12.2 Movement of lease liabilities

Particulars	As at	As at
	31st March 2025	31st March 2024
As at the beginning of the year	4,627.97	4,122.65
Additions	1,086.20	939.65
Interest on lease liabilities	478.21	432.51
Deletions	356.03	-
Payment of lease liabilities	1,018.13	866.84
As at the end of the year	4,818.22	4,627.97

12.3 Maturity analysis of lease liabilities

The following are the undiscounted cashflows of lease liabilities:

Particulars	As at	As at
	31st March 2025	31st March 2024
Less than one year	1,101.31	908.01
One to five years	4,238.60	3,795.00
More than five years	1,126.23	1,759.13
Total	6,466.14	6,462.14

12.4 Amounts recognized in the Statement of Profit and Loss

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Interest on finance lease liabilities	478.21	432.51
Depreciation of right-of-use assets	738.67	625.63
Gain on cancellation of lease	51.26	-
Expenses relating to short term leases	117.47	67.79

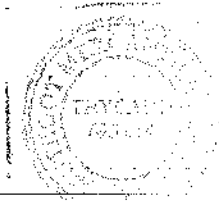
12.5 Amounts recognized in the Cash Flow Statement

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Total cash outflow for leases	565.88	459.65

13 Other Non-Financial Asset

Particulars	As at	As at
	31st March 2025	31st March 2024
Capital Advances	13.02	2.80
Prepaid Expenses	83.42	118.99
Employee Advances	3.12	5.61
Balance with Government Authorities	186.32	75.35
Other Advances (Refer Note 13.1)	18.49	17.89
	304.37	220.64

13.1 Other Advances include an amount of Rs.0.61 Lakhs Excess amount spent towards CSR activities during the year which company intends to carryforward to the subsequent year for adjusting against the liability.



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MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***14 Trade Payables**

Particulars	As at 31st March 2025	As at 31st March 2024
Total outstanding dues of micro and small enterprises	48.71	23.95
Total outstanding dues of creditors other than micro and small enterprises	124.57	144.33
	173.28	168.28

14.1 Trade Payables aging schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	48.71	-	-	-	48.71
ii) Others	124.57	-	-	-	124.57
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-

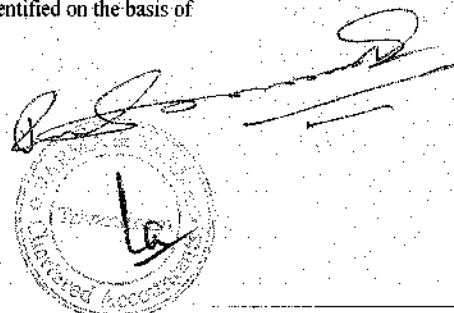
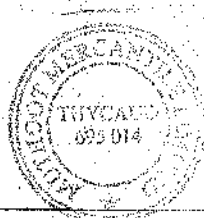
14.2 Trade Payables aging schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	23.95	-	-	-	23.95
ii) Others	144.33	-	-	-	144.33
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-

14.3 Disclosure:- Micro, Small and Medium Enterprises

Particulars	As at 31st March 2025	As at 31st March 2024
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	48.71	23.95
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	1.19	Nil
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

15 Debt Securities

Particulars	As at 31st March 2025				As at 31st March 2024			
	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total
Non-Convertible debentures - Private Issue(Secured)* (Refer Note 15.1)	2,881.51	-	-	2,881.51	4,212.31	-	-	4,212.31
Non-convertible Debentures - Public Issue(Secured)** (Refer Note 15.2)	29,095.58	-	-	29,095.58	10,414.06	-	-	10,414.06
Total (A)	31,977.09	-	-	31,977.09	14,626.37	-	-	14,626.37
Debt securities in India	31,977.09	-	-	31,977.09	14,626.37	-	-	14,626.37
Debt securities outside India	-	-	-	-	-	-	-	-
Total (B)	31,977.09	-	-	31,977.09	14,626.37	-	-	14,626.37

Nature of Security

*Secured by hypothecation of outstanding gold loan receivables both present and future and all assets to be accrued from the proceeds generated by the private placement of non convertible secured debentures by the Company. The Company shall maintain a minimum security, which shall not be less than the amount of debentures outstanding at any point of time.

**First ranking pari passu charge on all movable assets, including book debts and receivables, cash and bank balances, other moveable assets, loans and advances, both present and future of the company equal to the value of one time of the Non Convertible Debentures outstanding plus interest.



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025
(All amounts are in Lakhs unless otherwise stated)
15.1 Non-Convertible Debentures -Private Issue(Secured)

A) Details of rate of interest and maturity pattern of Non-Convertible debentures -Private Issue is as under:

As at 31st March 2025								
Redeemable at par within	Rate of interest						Total	
	< 12%		>= 12% < 14%		>= 14%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 3-4 years	-	-	25,165	251.65	-	-	25,165	251.65
Due within 2-3 years	53,960	539.60	9,395	93.95	2,200	22.00	65,555	655.55
Due within 1-2 years	41,745	417.45	-	-	4,875	48.75	46,620	466.20
Due within 1 year	1,01,545	1,015.45	-	-	-	-	1,01,545	1,015.45
Total	1,97,250	1,972.50	34,560	345.60	7,075	70.75	2,38,885	2,388.85
Add: Interest Accrued							492.66	
Total							2,881.51	

As at 31st March 2024									
Redeemable at par within	Rate of interest						Total		
	< 12%		>= 12% < 14%		>= 14%				
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	
Due within 4-5 years	-	-	25,165	251.65	-	-	25,165	251.65	
Due within 3-4 years	56,960	569.60	9,395	93.95	2,200	22.00	68,555	685.55	
Due within 2-3 years	47,545	475.45	-	-	4,875	48.75	52,420	524.20	
Due within 1-2 years	1,14,993	1,149.93	-	-	-	-	1,14,993	1,149.93	
Due within 1 year	1,14,856	1,148.56	-	-	-	-	1,14,856	1,148.56	
Total	3,34,354	3,343.54	34,560	345.60	7,075	70.75	3,75,989	3,759.89	
Add: Interest Accrued									452.42
Total									4,212.31

B) The Company has privately placed Secured Redeemable Non-Convertible Debentures with a maturity period of 24-96 months and principal amount outstanding Rs.2,388.85 Lakhs (Previous Year: Rs.3,759.89 Lakhs)

Series	Date of Allotment	Redemption Date	As at 31st March 2025	As at 31st March 2024	Interest Rate	Tenure
178	24-05-2020	24-05-2025	82.30	100.80	10.50%-11.85%	60 Months
189	10-06-2022	10-06-2025	22.10	49.90	8%-9.04%	36 Months
179	15-07-2020	15-07-2025	212.65	259.33	10%-11.29%	60 Months
190	07-08-2022	07-08-2025	112.00	133.50	9%-10%	36 Months
197	31-08-2023	31-08-2025	5.00	5.00	10.00%	24 Months
191	20-09-2022	20-09-2025	84.00	104.00	9%-10%	36 Months
180	18-10-2020	18-10-2025	37.25	37.25	9.25%	60 Months
181	24-11-2020	24-11-2025	236.65	236.65	10%-10.75%	60 Months
182	11-01-2021	11-01-2026	117.50	117.50	10%-10.75%	60 Months
193	19-03-2023	19-03-2026	91.00	91.00	9.75%-10.75%	36 Months
194	30-03-2023	30-03-2026	15.00	15.00	10.75%	36 Months
195	30-06-2023	30-06-2026	135.00	169.00	9.75%-10.75%	36 Months
183	04-07-2021	04-07-2026	25.00	25.00	9.75%	60 Months
196	31-07-2023	31-07-2026	18.00	28.00	9.75%-10.75%	36 Months
197	31-08-2023	31-08-2026	6.00	6.00	9.75%	36 Months
198	08-10-2023	08-10-2026	29.00	29.00	9.75%	36 Months
185	10-12-2021	10-12-2026	118.00	118.00	9.75%-10.75%	60 Months
186	14-02-2022	14-02-2027	40.00	54.00	9%-10.12%	60 Months
187	14-03-2022	14-03-2027	20.50	20.50	8.5%-9.6%	60 Months
177	22-03-2020	22-03-2027	48.75	48.75	14.29%	84 Months
188	30-03-2022	30-03-2027	25.95	25.95	8.5%-9.6%	60 Months
178	24-05-2020	24-05-2027	22.00	22.00	14.29%	84 Months
189	10-06-2022	10-06-2027	34.00	44.00	8.5%-9.75%	60 Months
190	07-08-2022	07-08-2027	167.10	167.10	9.5%-11%	60 Months



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025
(All amounts are in Lakhs unless otherwise stated)

Series	Date of Allotment	Redemption Date	As at 31st March 2025	As at 31st March 2024	Interest Rate	Tenure
175	09-02-2020	09-08-2027	40.35	40.35	13.33%	90 Months
176	26-02-2020	26-08-2027	32.60	32.60	13.33%	90 Months
191	20-09-2022	20-09-2027	113.00	118.00	9.5%-11%	60 Months
179	15-07-2020	15-01-2028	21.00	21.00	13.33%	90 Months
192	31-01-2023	31-01-2028	100.00	100.00	10.50%	60 Months
193	19-03-2023	19-03-2028	67.50	82.50	10.25%-11.75%	60 Months
194	30-03-2023	30-03-2028	58.00	58.00	10.25%-11.75%	60 Months
181	24-11-2020	24-05-2028	62.15	62.15	13.33%	90 Months
182	11-01-2021	11-07-2028	20.00	20.00	13.33%	90 Months
183	04-07-2021	04-10-2028	68.50	68.50	13.79%	87 Months
180	18-10-2020	18-10-2028	13.50	13.50	12.50%	96 Months
184	27-09-2021	27-12-2028	14.50	14.50	13.79%	87 Months
185	10-12-2021	10-03-2029	73.00	73.00	13.79%	87 Months
189	10-06-2022	10-06-2024	-	12.00	8.09%	24 Months
183	04-07-2021	04-07-2024	-	33.50	9.25%-9.75%	36 Months
196	31-07-2023	01-08-2024	-	227.41	9%-9.70%	12 Months
193	19-03-2023	19-09-2024	-	74.50	9.25%-9.50%	18 Months
184	27-09-2021	27-09-2024	-	127.50	9.25%-9.75%	36 Months
194	30-03-2023	29-09-2024	-	47.00	9.25%-9.50%	17 Months
185	10-12-2021	10-12-2024	-	37.50	9.25%-9.75%	36 Months
195	30-06-2023	31-12-2024	-	70.50	9.25%-9.50%	18 Months
174	14-01-2020	14-01-2025	-	42.00	10%-11.29%	60 Months
175	09-02-2020	09-02-2025	-	169.80	10.50%-11.85%	60 Months
186	14-02-2022	14-02-2025	-	5.00	8.00%	36 Months
176	26-02-2020	26-02-2025	-	111.30	10.50%-11.85%	60 Months
197	31-08-2023	28-02-2025	-	38.00	9.50%-9.70%	17 Months
187	14-03-2022	14-03-2025	-	58.80	8%-9.04%	36 Months
177	22-03-2020	22-03-2025	-	86.75	10.50%-11.85%	60 Months
188	30-03-2022	30-03-2025	-	7.00	8%-9.04%	36 Months
Total Principal			2,388.85	3,759.89		
Add: Interest Accrued			492.66	452.42		
Total			2,881.51	4,212.31		

15.2 Non-Convertible Debentures - Public issue

A) Details of rate of interest and maturity pattern of Non-convertible Debentures - Public issue is as under:

As at 31st March 2025								
Redeemable at par within	Rate Of Interest						Total	
	<10%		>= 10% < 11%		>=11%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due more than 5 Years	-	-	-	-	2,98,508	2,985.08	2,98,508	2,985.08
Due within 4-5 Years	-	-	91,265	912.65	3,71,591	3,715.91	4,62,856	4,628.56
Due within 3-4 years	3,701	37.01	1,29,283	1,292.83	1,03,072	1,030.72	2,36,056	2,360.56
Due within 2-3 years	-	-	3,50,796	3,507.96	3,00,469	3,004.69	6,51,265	6,512.65
Due within 1-2 years	-	-	3,86,050	3,860.50	-	-	3,86,050	3,860.50
Due within 1 year	1,05,042	1,050.42	7,41,761	7,417.61	-	-	8,46,803	8,468.03
Total	1,08,743	1,087.43	16,99,155	16,991.55	10,73,640	10,736.40	28,81,538	28,815.38
Add: Interest Accrued								852.21
Less: Effective Interest Rate Adjustment								572.01
Total								29,095.58



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025
(All amounts are in Lakhs unless otherwise stated)

As at 31st March 2024								
Redeemable at par within	Rate Of Interest						Total	
	<10%		>= 10% < 11%		>=11%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due more than 5 Years	-	-	-	-	1,25,132	1,251.32	1,25,132	1,251.32
Due within 4-5 Years	3,701	37.01	1,29,283	1,292.83	1,03,072	1,030.72	2,36,056	2,360.56
Due within 3-4 years	-	-	-	-	-	-	-	-
Due within 2-3 years	-	-	2,57,838	2,578.38	-	-	2,57,838	2,578.38
Due within 1-2 years	1,05,042	1,050.42	86,693	866.93	-	-	1,91,735	1,917.35
Due within 1 year	1,43,489	1,434.89	87,799	877.99	-	-	2,31,288	2,312.88
Total	2,52,232	2,522.32	5,61,613	5,616.13	2,28,204	2,282.04	10,42,049	10,420.49
Add: Interest Accrued								123.33
Less: Effective Interest Rate Adjustment								129.76
Total								10,414.06

B) The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue by the Company stood at Rs.28,815.38 Lakhs (Previous Year: Rs.10,420.49 Lakhs)

Series	Date of Allotment	Redemption Date	As at 31st March 2025	As at 31st March 2024	Interest Rate	Tenure
II	27-05-2024	29-05-2025	1,495.88	-	9.65%-10.15%	367 Days
I	21-12-2023	21-06-2025	1,193.83	1,193.83	9.75%-10.27%	18 Months
III	11-09-2024	16-10-2025	2,064.72	-	9.77%-10.27%	400 Days
II	27-05-2024	26-11-2025	367.61	-	10.25%-10.75%	18 Months
I	21-12-2023	21-12-2025	723.52	723.52	10.18%-11.00%	24 Months
IV	29-01-2025	05-03-2026	2,622.47	-	9.61%-10.12%	400 Days
III	11-09-2024	11-05-2026	562.60	-	10.5%-11.73%	20 Months
II	27-05-2024	27-05-2026	393.71	-	10.5%-10.6%	24 Months
IV	29-01-2025	29-09-2026	325.81	-	10.34%-10.60%	20 Months
I	21-12-2023	21-12-2026	2,578.38	2,578.38	10.45%-10.80%	36 Months
II	27-05-2024	27-05-2027	1,501.33	-	10.63%-11.73%	36 Months
III	11-09-2024	11-09-2027	3,004.69	-	10.70%-10.80%	36 Months
IV	29-01-2025	29-01-2028	2,006.63	-	10.77%-10.80%	36 Months
I	21-12-2023	21-12-2028	2,360.56	2,360.56	11.03%-11.25%	60 Months
II	27-05-2024	27-05-2029	845.19	-	10.00%-12.07%	60 Months
III	11-09-2024	11-09-2029	1,545.00	-	10.15%-10.17%	60 Months
IV	29-01-2025	29-01-2030	987.05	-	10.16%-10.75%	60 Months
I	21-12-2023	21-03-2030	1,251.32	1,251.32	10.60%	75 Months
II	27-05-2024	27-07-2030	784.84	-	11.00%	74 Months
III	11-09-2024	11-10-2030	1,171.50	-	10.64%	73 Months
IV	29-01-2025	27-02-2031	1,028.74	-	12.07%	73 Months
I	21-12-2023	20-12-2024	-	2,312.88	9.50%-10%	367 Days
Total Principal			28,815.38	10,420.49		
Add: Interest Accrued			852.21	123.33		
Less: Effective Interest Rate Adjustment			572.01	129.76		
Total			29,095.58	10,414.06		



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025
(All amounts are in Lakhs unless otherwise stated)
16 Borrowings (Other than Debt Securities)

Particulars	As at 31st March 2025				As at 31st March 2024			
	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total	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	11,301.24	-	-	11,301.24	13,611.28	-	-	13,611.28
(ii) from financial institutions	6,001.07	-	-	6,001.07	-	-	-	-
(b) Loans repayable on demand								
(i) from banks	3,760.30	-	-	3,760.30	5,664.71	-	-	5,664.71
(ii) from financial institutions	-	-	-	-	-	-	-	-
Total (A)	21,062.61	-	-	21,062.61	19,275.99	-	-	19,275.99
Borrowings in India	21,062.61	-	-	21,062.61	19,275.99	-	-	19,275.99
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B)	21,062.61	-	-	21,062.61	19,275.99	-	-	19,275.99

16.1 The terms of borrowings from banks and Financial Institutions are as under:

A) Terms and Conditions of borrowings from banks:

Name of the Bank	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	
State Bank of India	Primary Security- First charge over all movable assets and current assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company, on pari-passu basis with the Secured Creditors including debenture trustees and other banks. Hypothecation of Stage-I Gold loan receivables and should not include receivables of assets which are overdue more than 30 days. Personal guarantee of Mathew Mathaiyanan, Ammini Mathew, Richi Mathew. Cash collateral of Rs.500 lakhs secured by lien on term Deposit	4,769.90	8,186.73	1,714.21	3,458.60	On Demand
						Rs.1,849.90 Lakhs in 12 monthly instalments in FY 25-26. Rs.1,460 Lakhs in 12 quarterly instalments in FY 25-26. Rs.1,260 Lakhs in 10 quarterly instalments in FY 26-27 Rs.200 Lakhs in 1 quarterly instalment in FY 27-28



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

A) Terms and Conditions of borrowings from banks:

Name of the Bank	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	
				291.67	293.67	On Demand
Federal Bank	Pari passu first charge by way of hypothecation of entire current assets of the company (present and future) including loan receivables, with secured debentures holders and other banks	999.99	2,041.66			Rs.666.67 Lakhs in 4 equal quarterly instalments in FY 25-26 Rs.333.33 Lakhs in 2 equal quarterly instalments in FY 26-27
	Personal guarantee of Mathew Mathanman, Ammini Mathew, Richi Mathew, Collateral Security - Fixed Deposits in the name of borrower with a coverage of 15%	2,500.00				Rs.1,000 Lakhs in 4 equal quarterly instalments in FY 25-26 Rs.1,000 Lakhs in 4 equal quarterly instalments in FY 26-27 Rs.500 Lakhs in 2 equal quarterly instalments in FY 27-28
South Indian Bank				1.41		On Demand
	Primary Security - Pari passu 1st charge on standard gold receivables with minimum assets cover of 1.33x Collateral Security - KND Deposits of Rs.372 lakhs Personal guarantee of Mathew Mathanman, Ammini Mathew, Richi Mathew	947.22				Rs.366.67 Lakhs in 12 equal monthly instalments in FY 25-26 Rs.366.67 Lakhs in 12 equal monthly instalments in FY 26-27 Rs.213.88 Lakhs in 7 equal monthly instalments in FY 27-28
		880.00	1,549.56			Rs.672 Lakhs in 12 equal monthly instalments in FY 25-26 Rs.208 Lakhs in 3 equal monthly instalments and last instalments of Rs.40 Lakhs in FY 26-27




MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

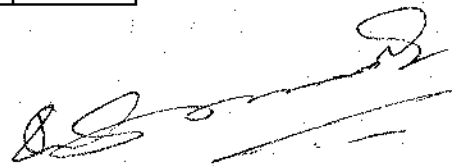
At Terms and Conditions of borrowings from banks:

Name of the Bank	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	
Karur Vysa Bank	Primary Security - First pari passu charge on the receivables of the Company including Gold Loan receivables both present and future, and other current assets of the Company with other secured lenders except those specifically charged to any term lenders whether under refinance facility or otherwise (Net of NPA accounts) with a margin of 25%. Collateral of Rs. 600 lakhs of Fixed Deposit with KVB. On Demand Collateral Security - Existing EM charge on commercial vacant land - Personal guarantee of Mathew Mathaiyanan, Arun Mathew, Ruchi Mathew.	1,166.67	1,833.33	1,201.23	1,000.00	On Demand
Indian Overseas Bank	First Pari-passu charge on gold loan receivables and current assets of the company along with secured debenture holders and other working capital lenders with minimum security coverage of 1.25. Collateral of FD of Rs 150 lakhs with IOB	-	-	570.92	912.44	On Demand
Total Principal		11,263.78	13,611.28	3,779.44	5,664.71	
Add: Interest Accrued		20.99	-	-	-	
Less: Effective Interest Rate Adjustment		22.55	-	19.14	-	
Add: Impact on Restatement of Foreign Currency Denominated Borrowings		39.02	-	-	-	
Total		11,301.24	13,611.28	3,760.30	5,664.71	



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025
(All amounts are in Lakhs unless otherwise stated)
B) Terms and Conditions of borrowings from Financial Institutions:

Name of the Financial Institution	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	
Oxyzo Financial Services Limited	First ranking par-passu charge by way of hypothecation on the Companies entire Loan receivables (present and future), unencumbered cash and cash equivalents and other current assets along with other existing lenders and ("Hypothecated Assets") Unconditional and Irrevocable Personal Guarantee of Mr. Mathew Mathaininan, Mr. Richi Mathew, Ms. Arumuni Mathew. Cash Collateral amount of Rs.250 lakhs	1,527.78	-	-	-	Rs.1,527.78 Lakhs in 11 equal monthly instalments in FY 25-26
Piramal Enterprises Limited	First pari passu over the entire book debts of the Company, both present and future	1,200.00	-	-	-	Rs.1,200 Lakhs in 9 equal monthly instalments in FY 25-26
Bajaj Finance Limited	First pari passu charge on present and future gold receivables and book debts and other current assets of the Borrower by way of hypothecation with a minimum asset cover of 125% of principal amt o/s at any point of time Cash collateral of 5% of Facility amount secured by lien on term deposits Personal Guarantee of Mr Mathew Mathaininan and Mr Richi Mathew	800.00	-	-	-	Rs.800 Lakhs in 8 equal monthly instalments in FY 25-26
Kerala Financial Corporation	Pari-passu first charge by way of hypothecation of the entire present and future book debts and receivables of the NBFC (gold loan receivables) shared with existing lenders and secured debenture holders A minimum security coverage of 1.25 times the loan sanctioned.	2,530.09	-	-	-	Rs.1,030.09 Lakhs in FY 2025-26 - Rs. 280.09 Lakhs in the first quarter, and the rest in 3 equal quarterly instalments. Rs.1,000 Lakhs in 4 equal quarterly instalments in FY 26-27 Rs.500 Lakhs in 2 equal quarterly instalments in FY 27-28
Total Principal		6,057.87	-	-	-	
Add: Interest Accrued		17.91	-	-	-	
Less: Effective Interest Rate Adjustment		74.71	-	-	-	
Total		6,001.07	-	-	-	




MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

16.2 Details of rate of interest and maturity pattern of borrowings (other than debt securities) as on the date of the balance sheet is as under:

As at 31st March 2025				
Repayable within	Rate of Interest			Total
	>9.10% - ≤9.80%	>9.80% - ≤10.50%	>10.50% - ≤11.20%	
Due within 2-3 years	700.00	213.89	500.00	1,413.89
Due within 1-2 years	2,593.33	1,074.67	1,000.00	4,668.00
Due within 1 year	6,508.47	4,220.95	4,328.79	15,058.21
Total Principal	9,801.80	5,509.51	5,828.79	21,140.10
Add: Interest Accrued				38.90
Less: Effective Interest Rate Adjustment				116.39
Total				21,062.61

As at 31st March 2024				
Repayable within	Rate of Interest			Total
	>8.5% - ≤9.15%	>9.15% - ≤9.65%	>9.65% - ≤10%	
Due within 3-4 years	200.00	-	-	200.00
Due within 2-3 years	1,260.00	541.33	500.00	2,301.33
Due within 1-2 years	3,450.00	1,338.66	666.67	5,455.33
Due within 1 year	3,276.73	6,463.50	1,579.10	11,319.33
Total	8,186.73	8,343.49	2,745.77	19,275.99

17 Subordinate Liabilities

Particulars	As at 31st March 2025				As at 31st March 2024			
	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total
Subordinated Debt	20,629.49	-	-	20,629.49	23,300.00	-	-	23,300.00
Total (A)	20,629.49	-	-	20,629.49	23,300.00	-	-	23,300.00
Borrowings in India	20,629.49	-	-	20,629.49	23,300.00	-	-	23,300.00
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B)	20,629.49	-	-	20,629.49	23,300.00	-	-	23,300.00



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

17.1 Details of rate of interest and maturity pattern is as under:

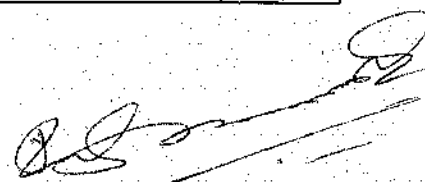
As at 31st March 2025

As at 31st March 2023

Redeemable at par within	Rate of Interest						Total	
	<10%		≥ 10% < 11%		≥11%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 4-5 years					2,54,328	2,543.28	2,54,328	2,543.28
Due within 3-4 years			1,00,505	1,005.05	29,246	292.46	1,29,751	1,297.51
Due within 2-3 years	79,744	797.44	2,30,419	2,304.19	1,94,398	1,943.98	5,04,561	5,045.61
Due within 1-2 years	61,770	617.70	2,38,217	2,382.17	51,171	511.71	3,51,158	3,511.58
Due within 1 year	2,08,222	2,082.22	3,22,292	3,222.92	95,055	950.55	6,25,569	6,255.69
Total	3,49,736	3,497.36	8,91,433	8,914.33	6,24,198	6,241.98	18,65,367	18,653.67
Add: Interest Accrued								1,975.82
Total								20,629.49

As at 31st March 2024

Redeemable at par within	Rate of Interest						Total	
	<10%		≥ 10% < 11%		≥11%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 4-5 years			1,00,505	1,005.05	29,446	294.46	1,29,951	1,299.51
Due within 3-4 years	80,494	804.94	2,30,599	2,305.99	1,94,898	1,948.98	5,05,991	5,059.91
Due within 2-3 years	61,770	617.70	2,38,717	2,387.17	51,171	511.71	3,51,658	3,516.58
Due within 1-2 years	2,08,222	2,082.22	3,22,292	3,222.92	95,205	952.05	6,25,719	6,257.19
Due within 1 year	48,805	488.05	2,35,348	2,353.48	2,00,336	2,003.36	4,84,489	4,844.89
Total	3,99,291	3,992.91	11,27,461	11,274.61	5,71,056	5,710.56	20,97,808	20,978.08
Add: Interest Accrued								2,321.92
Total								23,300.00




MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025.

(All amounts are in Lakhs unless otherwise stated)

17.2 The principal amount of outstanding privately placed subordinated liabilities issued by the Company stood at Rs.18,653.67 Lakhs (Previous Year: Rs.20,978.08 Lakhs)

Series	Date of Allotment	Redemption Date	As at 31st March 2025	As at 31st March 2024	Interest Rate	Tenure
12	19-04-20 - 17-05-20	19-04-25 - 17-05-25	680.11	680.11	10.00% - 11.29%	60 Months
13	19-05-20 - 29-05-20	19-05-25 - 29-05-25	237.30	237.30	10.00% - 11.29%	60 Months
14	31-05-20 - 28-06-20	31-05-25 - 28-06-25	353.65	353.65	9.75% - 10.97%	60 Months
15	30-06-20 - 28-07-20	30-06-25 - 28-07-25	331.71	331.71	9.75% - 10.97%	60 Months
16	02-08-20 - 28-08-20	02-08-25 - 28-08-25	771.37	771.37	9.00% - 10.97%	60 Months
17	01-09-20 - 29-09-20	01-09-25 - 29-09-25	318.30	318.30	9.00% - 9.75%	60 Months
18	02-10-20 - 28-10-20	02-10-25 - 28-10-25	330.53	330.53	9.25% - 10.00%	60 Months
19	01-11-20 - 29-11-20	01-11-25 - 29-11-25	730.93	730.93	9.85% - 10.30%	60 Months
20	01-12-20 - 27-12-20	01-12-25 - 27-12-25	311.04	311.04	9.85% - 10.50%	60 Months
21	31-12-20 - 28-01-21	31-12-25 - 28-01-26	984.00	985.50	10.25% - 11.00%	60 Months
22	31-01-21 - 26-02-21	31-01-26 - 26-02-26	814.01	814.01	10.25% - 11.00%	60 Months
23	02-03-21 - 18-03-21	02-03-26 - 18-03-26	125.81	125.81	9.20% - 10.45%	60 Months
24	21-03-21 - 18-04-21	21-03-26 - 18-04-26	461.74	461.74	10.25% - 11.00%	60 Months
25	20-04-21 - 18-05-21	20-04-26 - 18-05-26	291.49	291.49	10.25% - 11.00%	60 Months
26	23-05-21 - 17-06-21	23-05-26 - 17-06-26	321.72	321.72	10.00% - 11.00%	60 Months
27	20-06-21 - 18-07-21	20-06-26 - 18-07-26	322.88	322.88	10.00% - 11.00%	60 Months
28	20-07-21 - 17-08-21	20-07-26 - 17-08-26	292.59	292.59	10.00% - 11.00%	60 Months
29	19-08-21 - 16-09-21	19-08-26 - 16-09-26	373.53	373.53	10.00% - 11.00%	60 Months
30	19-09-21 - 17-10-21	19-09-26 - 17-10-26	406.87	406.87	10.00% - 11.00%	60 Months
31	19-10-21 - 16-11-21	19-10-26 - 16-11-26	475.03	475.03	10.00% - 11.00%	60 Months
32	18-11-21 - 16-12-21	18-11-26 - 16-12-26	234.70	234.70	9.00% - 10.00%	60 Months
33	19-12-21 - 17-01-22	19-12-26 - 17-01-27	363.79	363.79	9.00% - 10.00%	60 Months
34	19-01-22 - 30-01-22	19-01-27 - 30-01-27	140.32	140.32	9.00% - 10.00%	60 Months
35	01-02-22 - 01-03-22	01-02-27 - 01-03-27	79.55	79.55	8.00% - 9.00%	60 Months
36	03-03-22 - 14-03-22	03-03-27 - 14-03-27	14.30	14.30	8.00% - 9.00%	60 Months
37	18-07-22 - 15-08-22	18-07-27 - 15-08-27	1,106.59	1,114.09	9.50% - 11.00%	60 Months
38	18-08-22 - 15-09-22	18-08-27 - 15-09-27	245.56	245.56	9.50% - 11.00%	60 Months
39	26-09-22 - 24-10-22	26-09-27 - 24-10-27	849.35	854.35	10.00% - 12.00%	60 Months
40	27-10-22 - 24-11-22	27-10-27 - 24-11-27	918.41	918.41	10.25% - 12.00%	60 Months
41	27-11-22 - 22-12-22	27-11-27 - 22-12-27	604.40	604.40	10.25% - 12.00%	60 Months
42	25-12-22 - 22-01-23	25-12-27 - 22-01-28	407.38	409.18	10.25% - 12.00%	60 Months
43	24-01-23 - 21-02-23	24-01-28 - 21-02-28	467.30	467.30	10.50% - 12.00%	60 Months
44	23-02-23 - 24-03-23	23-02-28 - 24-03-28	357.31	357.31	10.50% - 12.00%	60 Months
45	26-03-23 - 23-04-23	26-03-28 - 23-04-28	278.34	280.34	10.50% - 12.00%	60 Months
46	25-04-23 - 24-05-23	25-04-28 - 24-05-28	270.48	270.48	10.50% - 12.00%	60 Months
47	28-05-23 - 26-06-23	28-05-28 - 26-06-28	185.20	185.20	10.00% - 11.00%	60 Months
48	29-06-23 - 26-07-23	29-06-28 - 26-07-28	455.03	455.03	10.00% - 11.00%	60 Months
49	28-07-23 - 25-08-23	28-07-28 - 25-08-28	197.77	197.77	10.00% - 11.00%	60 Months
50	28-05-24 - 28-05-24	28-05-29 - 25-06-29	452.38	-	12.00% - 14.00%	60 Months

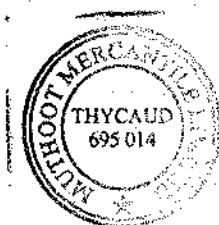


MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

Series	Date of Allotment	Redemption Date	As at 31st March 2025	As at 31st March 2024	Interest Rate	Tenure
51	27-06-24 - 27-06-24	27-06-29 - 18-07-29	282.70	-	12.00% - 14.00%	60 Months
52	12-09-24 - 12-09-24	12-09-29 - 14-10-29	523.40	-	11.00% - 13.75%	60 Months
53	15-10-24 - 15-10-24	15-10-29 - 17-11-29	208.06	-	11.00% - 12.85%	60 Months
54	25-11-24 - 25-11-24	25-11-29 - 27-01-30	385.51	-	11.00% - 13.40%	60 Months
55	29-01-25 - 29-01-25	29-01-30 - 10-03-30	691.23	-	11.40% - 13.40%	60 Months
2	01-04-19 - 26-04-19	01-04-24 - 26-04-24	-	361.66	9.50% - 11.81%	60 Months
3	07-07-19 - 02-08-19	07-07-24 - 02-08-24	-	391.89	9.50% - 11.81%	60 Months
4	06-08-19 - 29-08-19	06-08-24 - 29-08-24	-	194.22	9.50% - 11.81%	60 Months
5	01-09-19 - 29-09-19	01-09-24 - 29-09-24	-	578.52	10.00% - 11.85%	60 Months
6	02-10-19 - 30-10-19	02-10-24 - 30-10-24	-	528.98	10.00% - 11.85%	60 Months
7	31-10-19 - 28-11-19	31-10-24 - 28-11-24	-	710.14	10.00% - 11.29%	60 Months
8	01-12-19 - 29-12-19	01-12-24 - 29-12-24	-	714.71	10.00% - 11.29%	60 Months
9	31-12-19 - 28-01-20	31-12-24 - 28-01-25	-	632.34	10.00% - 11.29%	60 Months
10	31-01-20 - 28-02-20	31-01-25 - 28-02-25	-	444.93	10.00% - 11.29%	60 Months
11	02-03-20 - 23-03-20	02-03-25 - 23-03-25	-	287.50	10.00% - 11.29%	60 Months
Total Principal			18,653.67	20,978.08		
Add: Interest Accrued			1,975.82	2,321.92		
Total			20,629.49	23,300.00		



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

18 Other Financial Liabilities

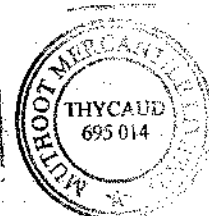
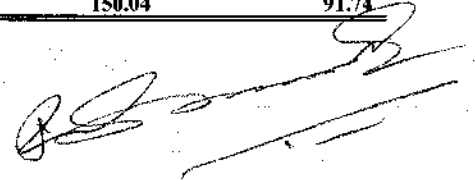
Particulars	As at	As at
	31st March 2025	31st March 2024
Unpaid matured debentures and Interest accrued thereon	38.94	3.51
Unpaid Subordinate Debt and Interest Accrued thereon	69.43	37.16
Creditors for capital goods	93.97	13.27
Employee Related Payables	300.06	172.97
Others	111.30	129.04
	613.70	355.95

19 Provisions

Particulars	As at	As at
	31st March 2025	31st March 2024
Employee Benefits (Refer Note 35)		
- Gratuity	149.69	117.92
- Leave Encashment	42.05	-
	191.74	117.92

20 Other Non-financial liabilities

Particulars	As at	As at
	31st March 2025	31st March 2024
Statutory Dues Payable	150.04	91.74
	150.04	91.74



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***21 Equity Share Capital**

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
5,50,00,000 (Previous Year: 5,50,00,000) equity shares of Rs.10/- each	5,50,00,000	5,500.00	5,50,00,000	5,500.00
Total	5,50,00,000	5,500.00	5,50,00,000	5,500.00
Issued, subscribed and fully paid				
3,64,18,747 (Previous Year: 3,64,18,747) equity shares of Rs.10/- each	3,64,18,747	3,641.87	3,64,18,747	3,641.87
Total	3,64,18,747	3,641.87	3,64,18,747	3,641.87

21.1 Reconciliation of the Number of Equity Shares outstanding

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

Equity Shares	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	3,64,18,747	3,641.87	2,94,18,750	2,941.87
Add: Issued during the year	-	-	69,99,997	700.00
At the end of the year	3,64,18,747	3,641.87	3,64,18,747	3,641.87

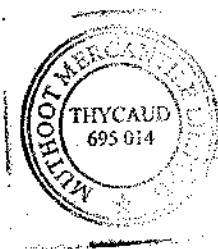
21.2 Rights, preferences and restrictions in respect of each class of shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. 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.

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

Name of the shareholder	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
M. Mathew	1,56,46,833	42.96%	1,30,61,100	35.86%
Richi Mathew	1,30,07,317	35.72%	1,30,07,317	35.72%
Reena Verghese	54,62,812	15.00%	80,48,545	22.10%
Asha Richi Mathew	21,85,125	6.00%	21,85,125	6.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

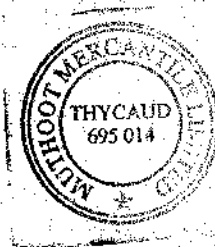
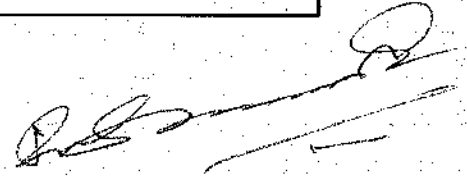
(All amounts are in Lakhs unless otherwise stated)

21.4 Details of Shares held by promoters at the end of the year**As at 31st March 2025**

Promoter name	No. of Shares	% of total shares	% Change during the year
M. Mathew	1,56,46,833	42.96%	7%
Ammini Mathew	1,16,241	0.32%	0%
Reena Verghese	54,62,812	15.00%	-7%
Richi Mathew	1,30,07,317	35.72%	0%
Total	3,42,33,203		

As at 31st March 2024

Promoter name	No. of Shares	% of total shares	% Change during the year
M. Mathew	1,30,61,100	35.86%	-
Ammini Mathew	1,16,241	0.32%	-
Reena Verghese	80,48,545	22.10%	-
Richi Mathew	1,30,07,317	35.72%	-
Total	3,42,33,203		



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

22 Other Equity

Particulars	As at 31st March 2025	As at 31st March 2024
Statutory Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934)		
Balance at the beginning of the year	3,383.78	2,877.86
Add: Transfer from retained earnings	561.79	505.92
Balance at the end of the year	3,945.57	3,383.78
Capital Redemption Reserve		
Balance at the beginning of the year	2,280.63	2,280.63
Balance at the end of the year	2,280.63	2,280.63
Impairment Reserve		
Balance at the beginning of the year	311.92	154.06
Add: Transferred from Retained Earnings	-	157.86
Balance at the end of the year	311.92	311.92
Retained Earnings		
Balance at the beginning of the year	6,827.34	5,063.28
Add: Profit for the year	2,808.93	2,427.84
Less: Appropriations		
Transferred to Statutory Reserve	561.79	505.92
Transferred to Impairment Reserve	-	157.86
Total appropriations	561.79	663.78
Balance at the end of the year	9,074.48	6,827.34
Other Comprehensive Income		
Balance at the beginning of the year	20.64	8.87
Add: Additions during the year	(45.98)	11.77
Balance at the end of the year	(25.34)	20.64
	15,587.26	12,824.31



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

(i) Statutory Reserve:

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

(ii) Capital Redemption Reserve:

This reserve created on account of buyback of equity shares during the financial year 2016-17.

(iii) Impairment Reserve:

As per Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023, Where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification, and Provisioning (including standard asset provisioning), NBFCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision of the Reserve Bank.

(iv) 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.

(v) Other comprehensive income:

Effective portion of Cash Flow Hedges and Cost of Hedging Reserve

Effective portion of cash flow hedges represents the cumulative gains/(losses) arising on changes in fair value of the derivative instruments designated as cash flow hedges through OCI. The amount recognized as effective portion of Cash flow hedge is reclassified to profit or loss when the hedged item affects profit or loss. The company designates the spot element of foreign currency forward contracts as hedging instruments. The changes in the fair value of forward element of the forward contract on reporting date is deferred and retained in the cost of hedging reserve.

Remeasurement of defined benefit plans

It represents the gain/(loss) on remeasurement of Defined Benefit Obligation



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

23 Interest Income


Particulars	Year ended 31st March 2025			Year ended 31st March 2024		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	16,054.23	-	-	12,774.28	-
Interest on Deposit with banks	-	252.96	-	-	126.18	-
Interest on Treasury deposit	-	-	-	-	3.13	-
		16,307.19			12,903.59	

24 Fees and Commission Income

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Service Charges Received	99.00	213.04
Commission Received	0.84	2.38
	99.84	215.42

25 Other Income

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Rent Received	-	18.78
Gain on sale of mutual fund	-	8.62
Finance income on security deposit	18.68	14.65
Miscellaneous Income	44.93	16.85
Penal Charges	120.72	-
Gain on cancellation of lease	51.26	-
	235.59	58.90




MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

26 Finance Costs

Particulars	Year ended 31st March 2025		Year ended 31st March 2024	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Debt Securities	-	2,753.90	-	961.01
Interest on Borrowings (other than Debt Securities)	-	1,970.49	-	1,783.54
Interest on Subordinate Liabilities	-	2,094.78	-	2,197.39
Interest on Lease Liabilities	-	478.21	-	432.51
	-	7,297.38	-	5,374.45

27 Impairment on Financial Instruments

Particulars	Year ended 31st March 2025		Year ended 31st March 2024	
	On Financial Instruments measured at fair value through OCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at fair value through OCI	On Financial Instruments measured at Amortised Cost
Loans	-	447.98	-	102.38
	-	447.98	-	102.38

28 Employee Benefits Expenses

Particulars	Year ended 31st March 2025		Year ended 31st March 2024	
Salaries and wages		3,036.76		2,597.75
Contribution to provident and other funds		97.24		45.13
Staff welfare expenses		11.28		1.80
		3,145.28		2,644.68

29 Depreciation and Amortisation Expense

Particulars	Year ended 31st March 2025		Year ended 31st March 2024	
Depreciation of tangible assets		222.82		237.52
Depreciation of right-of-use asset		738.67		625.63
Amortization of intangible assets		0.70		0.45
		962.19		863.60



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

30 Other expenses

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Rent	117.47	67.79
Rates and taxes	38.99	16.01
Repairs and maintenance	47.02	34.28
Communication Costs	71.08	36.52
Printing and stationery	63.23	51.59
Advertising and sales promotion	115.61	89.29
Directors' Sitting Fees	2.58	6.30
Auditor's fees and expenses (Refer Note 30.1)	17.00	6.52
Professional charges	25.06	172.26
Insurance	68.12	42.58
Electricity Charges	69.56	64.88
Computer maintenance and services	9.14	5.39
Expenditure on Corporate Social Responsibility (Refer note 30.2)	54.34	45.54
Travelling and conveyance	96.63	88.02
Office expenses	191.24	171.99
	987.07	898.96

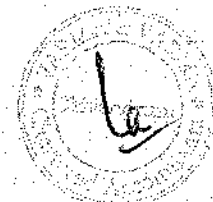
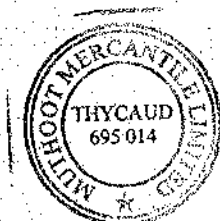
30.1 Auditors' fees and expenses:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
As Auditor's (including limited review)	10.00	3.00
For Taxation Matters	2.00	1.00
For Other services	5.00	2.52
	17.00	6.52

30.2 Corporate Social Responsibility Expenses:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
a) Amount required to be spent by the company during the year	54.34	45.05
b) Amount approved by the board to be spent during the year	54.34	45.05
c) Amount spent during the year on:		
i. Construction/acquisition of any asset	-	-
ii. On purposes other than (i) above	54.34	45.54
d) Nature of CSR activities	Amount distributed for promoting livelihood and healthcare	Amount distributed for Covid 19 relief and Post Covid 19 Relief
e) Shortfall at the year end	-	-
f) Reason for shortfall	-	-
g) Details of related party transactions	NIL	NIL

30.3 Rates and Taxes includes Rs.23.50 lakhs of interest on delay in payment of income tax for the FY 2023-24



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***31 Prior Period Adjustment**

During the year, the Company has paid an amount of Rs. 91.76 lakhs as management remuneration pertaining to previous year computed as a specified percentage of Net Profit of the Company for financial year 2023-24 which was approved by the Board of Directors at the meeting dated 17th April, 2023 and subsequently approved in the Annual General Meeting dated 5th September 2023 by the Shareholders of the Company. The provision for this payment was not created in the previous year ended 31st March 2024 and consequently the prior year's financial statements have been restated to correct this prior period error in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates, and Errors.

The impact of the restatement on the comparative financial statements for the year ended 31st March 2024 is as follows:

Particulars	Other Equity	Profit After Tax
Balance as per Audited Financial Statements for the year ended 31st March 2024	12,916.07	2,519.60
Less: Provision for managerial Remuneration	91.76	91.76
Restated Balance	12,824.31	2,427.84

32 Earnings Per Share (EPS)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
A) Profit after Tax attributable to the Equity Shareholders	2,808.93	2,427.84
B) Number of Equity Shares at the beginning of the year	3,64,18,747	2,94,18,750
C) Number of Equity Shares issued during the year	-	69,99,997
D) Number of Equity Shares at the end of the year	3,64,18,747	3,64,18,747
E) Weighted average number of Equity Shares outstanding during the year	3,64,18,747	3,05,50,256
F) Nominal Value of each Equity Share (Rs.)	10	10
Basic Earnings per Share (Rs.)(A/E)	7.71	7.95
Diluted Earnings per Share (Rs.)(A/E)	7.71	7.95

33 Contingent Liabilities and Commitments

Particulars	As at 31st March 2025	As at 31st March 2024
Contingent Liabilities		
Claims against the Company not acknowledged as debts:		
Income tax demands pending rectification	111.87	9.69
	111.87	9.69
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-
	-	-



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***34 Income Tax**

The Company has computed the tax expense of the current financial year and previous year as per the provisions of section 115BAA of the income Tax Act, 1961. Accordingly, the provision for current and deferred tax has been computed at the rate of 25.168%.

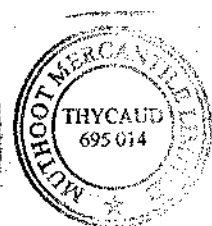
A) The components of income tax expense for the year ended 31st March 2025 and 31st March 2024 are:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Current tax	963.95	930.86
Deferred tax relating to origination and reversal of temporary differences	15.79	(64.86)
Adjustment in respect of income tax of prior years	14.05	-
Income tax expense reported in Statement of Profit and Loss	993.79	866.00
Income tax recognised in other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the year:		
- Remeasurement of defined benefit plans	(1.70)	(5.33)
- Changes in value of forward element of forward contract	1.72	-
- Effective portion of gain on hedging instruments in cash flow hedges	15.45	-
Income tax charged to OCI	15.47	(5.33)

B) Reconciliation of Income tax expense:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March 2025 and year ended 31st March 2024 is, as follows:

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Accounting profit before tax	3,802.72	3,293.84
At India's statutory income tax rate of 25.168% (2024: 25.168%)	957.07	828.99
Add: Tax on Expenses disallowed in Income Tax Act	22.67	37.01
Add: Adjustments in respect of income tax of prior year	14.05	-
Income tax expense reported in the Statement of Profit and Loss	993.79	866.00



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***C) The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:**

Particulars	As at 31st March 2025	As at 31st March 2024
Fixed asset: Timing difference on account of Depreciation and Amortisation	263.94	221.41
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109 not adjusted under Income Tax Act, 1961	62.01	-
On Fair Value Changes of derivative asset not adjusted under Income Tax Act, 1961	17.17	-
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(140.60)	-
On Other Provisions/Disallowances	43.95	25.38
Deferred Tax Assets/(Liabilities) (Net)	246.47	246.79

D) Reconciliation of deferred tax assets/(liabilities)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Opening balance	246.79	187.26
Tax income/(expense) during the period recognised in Statement of Profit and Loss	(15.79)	64.86
Tax income/(expense) during the period recognised in OCI	15.47	(5.33)
Closing balance	246.47	246.79

Movement of Deferred Tax Asset/Liability	As at 31st March 2025	Recognised in P&L	Recognised in OCI	As at 31st March 2024
Fixed asset: Timing difference on account of Depreciation and Amortisation	221.41	42.53	-	263.94
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109 not adjusted under Income Tax Act, 1961	-	62.01	-	62.01
On Fair Value Changes of derivative asset not adjusted under Income Tax Act, 1961	-	-	17.17	17.17
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	-	(140.60)	-	(140.60)
On Other Provisions/Disallowances	25.38	20.27	(1.70)	43.95
	246.79	(15.79)	15.47	246.47



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MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

35 Retirement Benefit Plan**A) Defined Contribution Plan**

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs.17.78 lakhs (Previous Year: Rs.4.95 Lakhs) for Employee State Insurance Scheme contributions and Rs.79.46 lakhs (Previous Year: Rs.40.17 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

B) Defined Benefit Plan (Gratuity)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The principal assumptions used in determining gratuity:

Particulars	As at 31st March 2025	As at 31st March 2024
Mortality table	IALM 2012-14 Ult	IALM 2012-14 Ult
Superannuation age	58 Years	58 Years
Early retirement and disablement	None	None
Discount rate	6.50%	7.20%
Inflation rate	7%	7%
Return on asset	N/A	N/A
Remaining working life	5	4.9
Formula used	Projected unit credit Method with control period of one year	Projected unit credit Method with control period of one year

Details of Change in Present value of Defined Benefit Obligation is as follows:

Particulars	As at 31st March 2025	As at 31st March 2024
Present Value of Defined Benefit Obligation at Beginning of Year	117.92	113.37
Current Service Cost	31.78	24.14
Interest Cost	10.78	10.31
Actuarial (Gain)/Loss due to change in assumptions and experience deviation	(6.76)	(17.10)
Benefits Paid	(4.03)	(12.80)
Present Value of Defined Benefit Obligation at End of Year	149.69	117.92

Changes in fair value of plan assets

Not applicable as scheme is unfunded

Funded status

Not applicable as scheme is unfunded



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

Amount to be Recognised in Balance sheet:

Particulars	As at 31st March 2025	As at 31st March 2024
Present Value of Defined Benefit Obligation at End of Year	149.69	117.92
Fair value of Plan Asset	-	-
Liability(-)/Asset(+) recognised in Balance Sheet	(149.69)	(117.92)
Current Liability	24.87	21.86
Non-Current Liability	124.82	96.06

Net Expense Recognised in Statement of Profit and Loss

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Current service cost	31.78	24.14
Interest cost	10.78	10.31
Income (-)/Expense(+) recognised in the Statement of Profit and Loss	42.56	34.45

Amounts recognised in Other Comprehensive Income

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Actuarial gain /(loss) due to assumption changes	(5.39)	(1.79)
Experience adjustments [Gain/(Loss)]	12.15	18.89
Amounts recognised in Other Comprehensive Income	6.76	17.10

Sensitivity Analysis

Particulars	As at 31st March 2025	As at 31st March 2024
Current year basis	149.69	117.92
Last years basis	144.30	116.13
Discount rate increased by 0.25%	147.72	116.43
Discount rate decreased by 0.25%	151.71	119.45
Salary Escalation rate increased by 2%	165.42	129.87
Salary Escalation rate decreased by 2%	136.29	107.70
Employee Turnover rate increased by 2%	143.14	113.38
Employee Turnover rate decreased by 2%	157.24	123.00

C) Compensated Absence (Leave encashment)

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

Particulars	As at 31st March 2025	As at 31st March 2024
Mortality table	IALM 2012-14	-
Superannuation age	ULT	-
Early retirement and disablement	58 Years	-
Discount rate	None	-
Inflation rate	6.90%	-
Return on asset	7%	-
Remaining working life	N/A	-
Formula used	5	-
	Projected unit credit	-
	Method with	-
	control period of	-
	one year	-



MUTHOOT MERCANTILE LIMITED

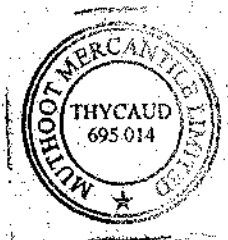
Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

36 Maturity analysis of Assets and Liabilities :

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

Particulars	As at 31st March 2025			As at 31st March 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and Cash Equivalents	925.47	-	925.47	1,070.33	-	1,070.33
Bank Balance other than above	2,233.09	498.14	2,731.23	2,285.62	-	2,285.62
Derivative financial instruments	17.81	-	17.81	-	-	-
Loans	89,342.97	330.50	89,673.47	70,277.26	-	70,277.26
Adjustment on Account of ECL	-	-	(623.43)	-	-	(175.45)
Other Financial Assets	4.81	584.98	589.79	3.80	456.47	460.27
Total (A)	92,524.15	1,413.62	93,937.77	73,637.01	456.47	74,093.48
Non-Financial Assets						
Deferred Tax Assets (Net)	-	246.47	246.47	-	246.79	246.79
Property, Plant and Equipment	-	967.84	967.84	-	642.01	642.01
Other Intangible Assets	-	1.87	1.87	-	1.56	1.56
Right-of-Use Asset	-	4,245.11	4,245.11	-	4,176.39	4,176.39
Other Non-Financial Assets	26.42	277.95	304.37	8.75	211.89	220.64
Total (B)	26.42	5,739.24	5,765.66	8.75	5,278.64	5,287.39
Total Assets (A+B)	92,550.57	7,152.86	99,703.43	73,645.76	5,735.11	79,380.87
Liabilities						
Financial Liabilities						
Derivative Financial Instruments	54.45	-	54.45	-	-	-
Trade Payables	-	-	-	-	-	-
(A) total outstanding dues of micro and small enterprises	48.71	-	48.71	23.95	-	23.95
(B) total outstanding dues of creditors other than micro and small enterprises	124.57	-	124.57	144.33	-	144.33
Debt Securities	9,909.30	22,639.80	32,549.10	3,577.94	11,178.19	14,756.13
Less: Adjustment on account of EIR	-	-	(572.01)	-	-	(129.76)
Borrowings	15,097.09	6,081.91	21,179.00	11,319.32	7,956.67	19,275.99
Less: Adjustment on account of EIR	-	-	(116.39)	-	-	-
Subordinate Liabilities	7,338.09	13,291.40	20,629.49	5,832.09	17,467.91	23,300.00
Lease Liabilities	1,101.31	3,716.91	4,818.22	908.01	3,719.96	4,627.97
Other Financial Liabilities	613.70	-	613.70	355.95	-	355.95
Total (C)	34,287.22	45,730.02	79,328.84	22,161.59	40,322.73	62,354.56



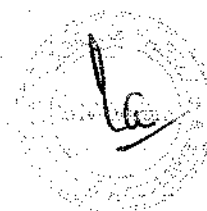
Particulars	As at 31st March 2025			As at 31st March 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-Financial Liabilities						
Current tax liabilities (Net)	180.25	-	180.25	175.02	-	175.02
Provisions	48.24	143.50	191.74	21.86	96.06	117.92
Other Non-Financial Liabilities	150.04	-	150.04	91.74	-	91.74
Total (D)	378.53	143.50	522.03	288.62	96.06	384.68
Total Liabilities (C+D)	34,665.75	45,873.52	79,850.87	22,450.21	40,418.79	62,739.24
Net	57,884.82	(38,720.66)	19,129.13	51,195.55	(34,683.68)	16,466.18

37 Changes in Liabilities arising from Financing Activities

Particulars	As at 31st March 2024	Cash Flows	Other	As at 31st March 2025
Debt Securities	14,626.37	16,577.08	773.64	31,977.09
Borrowings (Other than Debt Securities)	19,275.99	1,747.72	38.90	21,062.61
Subordinate Liabilities	23,300.00	(2,331.85)	(338.66)	20,629.49
Total	57,202.36	15,992.95	473.88	73,669.19

Particulars	As at March 31, 2023	Cash Flows	Other	As at March 31, 2024
Debt Securities	5,130.45	8,919.48	576.44	14,626.37
Borrowings (Other than Debt Securities)	18,474.41	801.58	-	19,275.99
Subordinate Liabilities	20,123.55	847.04	2,329.41	23,300.00
Total	43,728.41	10,568.10	2,905.85	57,202.36

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MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

38 Related Parties Disclosures**A List of related parties and nature of relationship with Company****I. Enterprises owned or significantly influenced by key management personnel or their relatives**

- | | |
|-------------------------------------|---|
| 1. Muthoot Mercantile Nidhi Limited | 4. Richi Mathew Software Technologies Limited |
| 2. Muthoot Syndicate Nidhi Limited | 5. Muthoot Computer Software Development and Research Institute Private Limited |

- | |
|------------------------------------|
| 3. Richi Mathew Securities Limited |
|------------------------------------|

II. Key Managerial Personnel and Relatives

- | | |
|---|---|
| 1. Richi Mathew (Managing Director) | 9. Reena Verghese (Daughter of M Mathew) |
| 2. M Mathew (Wholetime Director) | 10. Arun V K (Company Secretary)(With effect from 06/03/2025) |
| 3. Ammini Mathew(Wholetime Director) | 11. M R Rajeev (Chief Financial Officer) |
| 4. Asha Richi Mathew (Director) | 12. Giselle Richi (Daughter of Richi Mathew) |
| 5. Justin D(Director - Independent and non executive) | 13. Gabriela Ninan Richi (Daughter of Richi Mathew) |
| 6. Antony Robert John(Director - Independent and non executive) | 14. Nimisha Elisabeth Verghese (Daughter of Reena Verghese- relative of M Mathew) |
| 7. Neethu C Biju (Company Secretary)(Resigned from 12/09/2024) | 15. Nikita Elizabeth Verghese (Daughter of Reena Verghese- relative of M Mathew) |
| 8. Remya R S (Company Secretary)(Resigned from 25/02/2025) | |

B Related Party Transactions during the year

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2025	Year ended 31st March 2024
<u>Rent Paid</u>				
M Mathew	-	-	16.35	9.42
Ammini Mathew	-	-	16.35	9.42
Muthoot Syndicate Nidhi Limited	-	31.95	-	-
<u>Common Expenses Allocation</u>				
Muthoot Syndicate Nidhi Limited	-	119.75	-	-

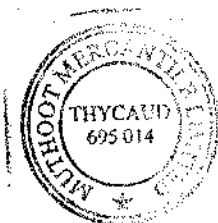


MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2025	Year ended 31st March 2024
<u>Remuneration</u>				
M.Mathew	-	-	24.00	24.00
Richi Mathew	-	-	75.00	75.00
Ammuni Mathew	-	-	24.00	24.00
Asha Richi Mathew	-	-	12.00	12.00
M R Rajeev	-	-	24.29	22.17
Remya R S	-	-	7.19	-
Neethu C Biju	-	-	3.30	6.91
Arun Kumar V K	-	-	0.68	-
<u>Commission</u>				
M Mathew	-	-	150.12	115.49
Richi Mathew	-	-	150.12	115.49
<u>Director's Sitting Fee</u>				
M.Mathew	-	-	0.45	1.15
Richi Mathew	-	-	0.45	1.15
Asha Richi Mathew	-	-	0.45	1.15
Ammuni Mathew	-	-	0.42	1.15
Dillark Justin	-	-	0.36	0.85
Antony Robert John	-	-	0.45	0.85
<u>Interest on Perpetual Debt Instrument</u>				
M Mathew	-	-	-	34.28
<u>Interest paid on Loan from Directors</u>				
M Mathew	-	-	-	3.62
Ammuni Mathew	-	-	-	0.34
<u>Interest paid on Debentures</u>				
Nikita Elizabeth Verghese	-	-	-	0.46
Asha Richi Mathew	-	-	-	2.30
M Mathew	-	-	-	0.02
<u>Interest paid on Subordinate Debts</u>				
Nikita Elizabeth Verghese	-	-	3.66	4.03
Giselle Richi	-	-	1.04	1.41
Asha Richi Mathew	-	-	0.29	0.19
Reena Verghese	-	-	0.75	1.34
M Mathew	-	-	37.56	13.65
Ammuni Mathew	-	-	1.95	4.14
Gabriela Ninan Richi	-	-	-	1.16
Nimisha Elizabeth Verghese	-	-	-	4.29
Richi Mathew	-	-	1.03	0.60



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)*

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2025	Year ended 31st March 2024
Rental Income				
Muthoot Syndicate Nidhi Limited	-	16.71	-	-
Muthoot Mercantile Nidhi Limited	-	2.07	-	-

C Balance outstanding as at the year end

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Loan from Director				
M Mathew				
Balance outstanding at the beginning	-	-	-	-
Amount Accepted	-	-	-	145.00
Amount Repaid	-	-	-	145.00
Balance outstanding at the year end	-	-	-	-
Ammini Mathew				
Balance outstanding at the beginning	-	-	-	-
Amount Accepted	-	-	-	10.00
Amount Repaid	-	-	-	10.00
Balance outstanding at the year end	-	-	-	-
Debt Securities				
Nikita Elizabeth Verghese				
Balance outstanding at the beginning	-	-	5.10	5.10
Amount Accepted	-	-	-	-
Amount Repaid	-	-	-	-
Balance outstanding at the year end	-	-	5.10	5.10
Asha Richi Mathew				
Balance outstanding at the beginning	-	-	17.15	17.15
Amount Accepted	-	-	-	-
Amount Repaid	-	-	-	-
Balance outstanding at the year end	-	-	17.15	17.15



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

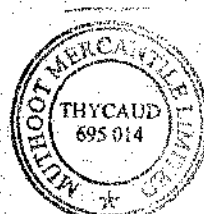
(All amounts are in Lakhs unless otherwise stated)

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
M Mathew				
Balance outstanding at the beginning	-	-	7.00	-
Amount Accepted	-	-	-	9.50
Amount Repaid	-	-	7.00	2.50
Balance outstanding at the year end	-	-	-	7.00
<u>Subordinate Liabilities</u>				
Nikita Elizabeth Verghese				
Balance outstanding at the beginning	-	-	34.10	35.59
Amount Accepted	-	-	-	-
Amount Repaid	-	-	6.35	1.49
Balance outstanding at the year end	-	-	27.75	34.10
Giselle Richi				
Balance outstanding at the beginning	-	-	12.45	12.95
Amount Accepted	-	-	2.00	-
Amount Repaid	-	-	1.80	0.50
Balance outstanding at the year end	-	-	12.65	12.45
Asha Richi Mathew				
Balance outstanding at the beginning	-	-	2.00	2.00
Amount Accepted	-	-	2.00	-
Amount Repaid	-	-	2.00	-
Balance outstanding at the year end	-	-	2.00	2.00
Reena Verghese				
Balance outstanding at the beginning	-	-	10.37	15.12
Amount Accepted	-	-	-	-
Amount Repaid	-	-	1.27	4.75
Balance outstanding at the year end	-	-	9.10	10.37
Gabriela Ninan Richi				
Balance outstanding at the beginning	-	-	10.00	10.00
Amount Accepted	-	-	-	-
Amount Repaid	-	-	-	-
Balance outstanding at the year end	-	-	10.00	10.00
M Mathew				
Balance outstanding at the beginning	-	-	501.76	42.33
Amount Accepted	-	-	14.75	464.93
Amount Repaid	-	-	43.61	5.50
Balance outstanding at the year end	-	-	472.90	501.76



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025
(All amounts are in Lakhs unless otherwise stated)

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Nimisha Elizabeth Verghese				
Balance outstanding at the beginning	-	-	38.95	38.95
Amount Accepted	-	-	-	-
Amount Repaid	-	-	-	-
Balance outstanding at the year end	-	-	38.95	38.95
<u>Ammini Mathew</u>				
Balance outstanding at the beginning	-	-	43.85	23.45
Amount Accepted	-	-	-	27.40
Amount Repaid	-	-	21.75	7.00
Balance outstanding at the year end	-	-	22.10	43.85
<u>Richi Mathew</u>				
Balance outstanding at the beginning	-	-	15.00	-
Amount Accepted	-	-	-	15.00
Amount Repaid	-	-	-	-
Balance outstanding at the year end	-	-	15.00	15.00
<u>Perpetual Debt Instrument</u>				
<u>M Mathew</u>				
Balance outstanding at the beginning	-	-	-	300.00
Amount Accepted	-	-	-	-
Amount Repaid	-	-	-	300.00
Balance outstanding at the year end	-	-	-	-
<u>Rental Deposits</u>				
M Mathew & Ammini Mathew	-	-	150.00	150.00
Muthoot Syndicate Nidhi Limited	17.56	17.56	-	-
<u>Interest Payable on Debenture</u>				
Nikita Elizabeth Verghese	-	-	1.31	0.85
Asha Richi Mathew	-	-	10.06	7.77
M Mathew	-	-	-	0.19
<u>Interest Payable on Perpetual Debt Instrument</u>				
M Mathew	-	-	-	-



MUTHOOT MERCANTILE LIMITED

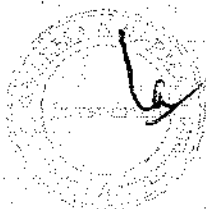
Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
<u>Interest Payable on Subordinate Debts</u>				
Nikita Elizabeth Verghese	-	-	14.97	15.07
Giselle Richi	-	-	4.72	4.43
Asha Richi Mathew	-	-	0.03	0.05
Reena Verghese	-	-	4.93	4.58
M Mathew	-	-	21.85	12.14
Ammuni Mathew	-	-	5.71	3.99
Nimisha Elizabeth Verghese	-	-	20.42	16.15
Gabriela Ninian Richi	-	-	3.45	2.31
Richi Mathew	-	-	0.94	0.35
<u>Rent Payable</u>				
M Mathew (Including GST)	-	-	1.35	1.26
Ammuni Mathew	-	-	1.35	1.09
<u>Remuneration Payable</u>				
M Mathew	-	-	1.40	1.40
Ammuni Mathew	-	-	1.40	1.40
Asha Richi Mathew	-	-	0.90	0.90
M R Rajeev	-	-	1.90	1.28
Neethu C Biju	-	-	-	0.56
Richi Mathew	-	-	-	-
Arun Kumar V K	-	-	0.67	-
<u>Commission Payable</u>				
M Mathew	32.00	45.88	-	-
Richi Mathew	25.00	45.88	-	-
<u>Common Expenses Payable</u>				
Muthoot Syndicate Nidhi Limited	-	60.41	-	-
<u>Director's Sitting fee Payable</u>				
Richi Mathew	-	-	-	0.31
Asha Richi Mathew	-	-	-	0.31
Ammuni Mathew	-	-	-	0.31
M Mathew	-	-	-	0.31
Neelakandan Madaswamy	-	-	-	-
Antony Robert John	-	-	-	0.12
Dillark Justin	-	-	-	0.42

Note:

- a) The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on actuarial basis for the company as a whole.
- b) Related parties and the transactions have been identified on the basis of the declaration received by the management and other records available.



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***39 Segment information**

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

40 Assets pledged as security

The carrying amount of assets pledged as security for secured debt securities, secured borrowings (other than debt securities) and considered for returns or statement of current assets filed by the company with the banks/ financial institutions is as follows:

Particulars	As at	As at
	31st March 2025	31st March 2024
Financial assets		
Loans	89,050.04	70,101.81
Cash and cash equivalents	925.47	1,070.33
Deposits with bank	2,730.76	2,082.90
Security Deposits	455.23	387.46
	93,161.50	73,642.50

41 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair values hierarchy

The fair value of financial instruments has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

Valuation framework

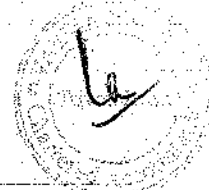
The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure the quality and adequacy of the fair valuation. The objective of the valuation techniques is to arrive at a fair value that reflects the price that would be received to sell the asset or paid to transfer the liability in the market at any given measurement date. The methodologies followed have been detailed below.

The fair valuation of the financial instruments and its ongoing measurement for financial reporting purposes is ultimately the responsibility of the finance team which reports to the Chief Financial Officer. The team ensures that final reported fair value figures are in compliance with Ind AS and will propose adjustments wherever required. When relying on third-party sources, the team is also responsible for understanding the valuation methodologies and sources of inputs and verifying their suitability for Ind AS reporting requirements.

Valuation methodologies of financial instruments measured at fair value**Investments at fair value through profit or loss**

For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date. The equity instruments which are actively traded on public stock exchanges with readily available active prices on a regular basis are classified as Level 1. Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions are generally Level 1.

There are no such investments outstanding as at As at 31st March 2025 and As at 31st March 2024



Valuation methodologies of financial instruments not measured at fair value**Fair value of instruments measured at amortised cost**

Fair value of instruments that are initially measured at fair value and subsequently carried at amortised cost is disclosed as follows.

Particulars	Level	As at 31st March 2025		As at 31st March 2024	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Cash and cash equivalents	1	925.47	925.47	1,070.33	1,070.33
Bank balances other than cash and cash equivalents	1	2,731.23	2,731.23	2,285.62	2,285.62
Loans	3	89,050.04	89,050.04	70,101.81	70,101.81
Other financial assets	3	589.79	589.79	460.27	460.27
Total		93,296.53	93,296.53	73,918.03	73,918.03
Financial liabilities					
Trade payables	3	173.28	173.28	168.28	168.28
Debt securities	2	31,977.09	31,977.09	14,626.37	14,626.37
Borrowings (other than debt securities)	2	21,062.61	21,062.61	19,275.99	19,275.99
Subordinated Liabilities	2	20,629.49	20,629.49	23,300.00	23,300.00
Lease Liabilities	2	4,818.22	4,818.22	4,627.97	4,627.97
Other financial liabilities	3	613.70	613.70	355.95	355.95
Total		79,274.39	79,274.39	62,354.56	62,354.56

Valuation Techniques**Short-term financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

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

Fair values of portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics i.e., type of loan, underlying security risk, customer behaviour based on region etc. The Company then calculates and extrapolates the fair value to the entire portfolio using effective interest rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults. Hence, the carrying amount of such financial assets at amortised cost net of impairment loss allowance is of reasonable approximation of their fair value.

Financial Liabilities at amortized cost

The fair values of the Company fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

All other debt securities, borrowings and subordinated liabilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

42 Risk Management

The Company has operations in various parts of India. As a financial lending institution, the Company is exposed to various risks, that are related to lending business and operating environment. The primary aim of the Company's risk management framework is to evaluate and oversee these risks while implementing strategies, policies, and controls to mitigate their impact. The Company's main financial obligations include borrowings and trade and other payables, primarily utilized to fund and sustain its business activities. Its core financial assets consist of loans, cash and cash equivalents, and other receivables generated through its operations.

The Company has established robust policies and procedures to identify, assess, monitor, and manage risk across its operations. The risk management framework is subject to continuous evaluation and enhancement to ensure it remains effective and responsive to evolving risk scenarios. The adaptability of this process is regularly assessed to confirm its relevance in a dynamic risk environment. Risk assessment is also conducted in response to specific events that may impact the company's exposure.

The major type of risk Company faces in business are credit risk, liquidity risk, market risk and operational risk.

A Credit Risk

Credit risk stems from the potential financial loss the Company may incur if a customer fails to meet their obligations under a loan agreement. Such losses may result from customer defaults or insufficient collateral.

A1 Credit risk management

To manage this risk, the Company has established several measures:

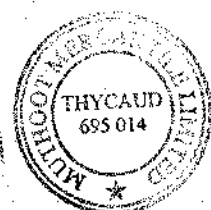
- Credit risk associated with gold loans is significantly minimized, as the collateral comprises gold ornaments, which are highly liquid assets. The likelihood of loss is low due to the retention of a substantial margin—typically 25% or more—at the time of loan disbursement. Additionally, a prompt yet thorough collateral assessment and approval process further mitigates the risk. As a result, the overall credit risk in this segment remains low.
- The Company classifies gold loans into various categories based on ticket size, and an appropriate authorization matrix is applied accordingly. Approval authority varies depending on the loan amount, ranging from the Branch Manager to officials at the Head Office level.
- Auctions are carried out in accordance with the Company's Auction Policy and the guidelines prescribed by the Reserve Bank of India. Typically, auctions are initiated before the outstanding loan amount, including interest, exceeds the realizable value of the pledged gold. It is used as a last resort in unavoidable situations.

A2 Impairment Assessment

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

A.2.1 Definition of Default

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 91 days past due including the due date on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations.



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***A.2.2 Credit risk measurement - Expected credit loss measurement**

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit impaired on initial recognition and whose credit risk has not increased significantly since initial recognition is classified as "Stage 1".
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit impaired.
- If a financial instrument is credit impaired, it is moved to "Stage 3".

ECL for depending on the stage of financial instrument:

- Financial instrument in Stage 1 have their ECL measured at an amount equal to expected credit loss that results from default events possible within the next 12 months.
- Instruments in Stage 2 or Stage 3 criteria have their ECL measured on lifetime basis.

Criteria for significant increase in credit risk

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative or qualitative criteria are met.

(i) Quantitative criteria

The remaining lifetime probability of default at the reporting date has increased, compared to the residual lifetime probability of default expected at the reporting date when the exposure was first recognized. The Company considers loan assets as Stage 2 when the default in repayment is within the range of 30 to 90 days.

(ii) Qualitative criteria

If other qualitative aspects indicate that there could be a delay/default in the repayment of the loans, the Company assumes that there is significant increase in risk and loan is moved to stage 2.

Criteria for default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets the following criteria:

(i) Quantitative criteria

The Company considers loan assets as Stage 3 when the default in repayment has moved beyond 90 days.

(ii) Qualitative criteria

The Company considers factors that indicate unlikeliness of the borrower to repay the loan which include instances like the significant financial difficulty of the borrower, borrower deceased or breach of any financial covenants by the borrower etc.

A.2.3 Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the product of the exposure at default (EAD), probability of default (PD) and loss given default (LGD)

Exposure at Default (EAD)

Exposure at Default (EAD) which defines the exposure that will be at risk in case a borrower defaults on its obligations. EAD includes the total balance of loans asset on the reporting date along with interest accrued on the same except in case of stage 3 assets.

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal risk based categories and year end asset classification. The amounts represented are gross of impairment allowances.

Stage	EAD as at 31st March 2025				Total
	Region				
	East India	North India	South India	West India	
1	20,236.76	21,153.24	14,459.99	17,280.62	73,130.61
2	4,019.84	4,445.30	2,214.19	4,500.04	15,179.37
3	536.34	422.57	120.47	284.11	1,363.49
Total	24,792.94	26,021.11	16,794.65	22,064.77	89,673.47



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. For Stage 1 financial assets, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD. The loans are grouped into different geographical regions North, South, East and West for arriving the PD percentage to consider Macro Economic factors. The PD percentage is computed as a percentage of defaulted loan to the total loan disbursed regionwise.

Probability of default (PD)	Stage 1	Stage 2	Stage 3
East India	7.74%	7.74%	100%
North India	8.42%	8.42%	100%
South India	4.20%	4.20%	100%
West India	5.23%	5.23%	100%

Loss given default (LGD)

Loss given default defines the amount that the Company will lose in case a borrower defaults on its obligations. The Company determines its recovery by analyzing the recovery trends, collateral value and Expected proceeds from sale of collaterals. In case of Gold loan LGD percentage is computed at 6.73% for different stages such as stage 1, stage 2 & stage 3 portfolios, and in case of unsecured personal loans LGD percentage is considered as 100%.

A.2.4. Collateral and other credit enhancements

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Company provides loans against security of gold ornaments. The gold ornaments are pledged with the company and based on the company policy of loan to value ratio, the loan is provided. The fair value of collateral affects the calculation of ECLs. The fair value of the same is based on data provided by third party or management judgements.

The following is the quantitative information about the collateral held as security for Gold Loans outstanding as on 31st March 2025:

Outstanding amount to security value as at 31st March 2025	Outstanding of Gold Loan As at 31st March 2025
0%-50%	8,231.10
50%-60%	14,591.21
60%-70%	34,918.71
70%-80%	31,512.41
Total	89,253.43

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***B.1 Maturities of financial liabilities**

The tables below analyse the Company financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31st March 2025	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Balances insensitive to ALM*	Total
Trade payables	173.28	-	-	-	-	173.28
Debt securities	2,949.87	6,959.43	19,097.99	3,541.81	(572.01)	31,977.09
Borrowings (other than debt securities)	6,806.98	8,290.11	6,081.91	-	(116.39)	21,062.61
Subordinate liabilities	1,684.35	5,653.74	13,291.40	-	-	20,629.49
Lease liabilities	272.51	828.80	4,238.60	1,126.23	-	6,466.14
Other financial liabilities	613.70	-	-	-	-	613.70
Total	12,500.69	21,732.08	42,709.90	4,668.04	(688.40)	80,922.31

As at 31st March 2024	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Balances insensitive to ALM*	Total
Trade payables	168.28	-	-	-	-	168.28
Debt securities	16.18	3,561.76	9,886.50	1,291.69	(129.76)	14,626.37
Borrowings (other than debt securities)	7,077.82	4,241.50	7,956.67	-	-	19,275.99
Subordinate liabilities	499.82	5,332.27	17,467.91	-	-	23,300.00
Lease liabilities	226.80	681.21	3,795.00	1,759.13	-	6,462.14
Other financial liabilities	355.95	-	-	-	-	355.95
Total	8,344.85	13,816.74	39,106.08	3,050.82	(129.76)	64,188.73

C. Market risk

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

C.1 Interest Rate Risk

Interest Rate Risk is the risk that the future cashflows of the financial instruments will fluctuate because of changes in market interest rates. The Company is exposed to this risk primarily because it extends fixed-rate loans to customers with maturities that are generally shorter than those of its funding sources. While most of the Company's borrowings are at fixed interest rates, any borrowings at floating rates introduce exposure to interest rate volatility.

Interest rates are influenced by numerous external factors beyond the Company's control, including the monetary policies of the Reserve Bank of India, domestic and global economic and political developments, inflation trends, and other market conditions. To manage this risk effectively, the Company aims to maintain an optimal mix of short-term and long-term borrowings in its funding strategy.



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)*

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31st March 2025
Debt securities	
Variable rate	-
Fixed rate	31,977.09
Total	31,977.09
Borrowings (other than debt securities)	
Variable rate	19,871.73
Fixed rate	1,190.88
Total	21,062.61
Subordinate Debts	
Variable rate	-
Fixed rate	20,629.49
Total	20,629.49

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

Particulars	As at 31st March 2025
On Borrowings	
-1% Increase	198.72
-1% Decrease	(198.72)

C.2 Price Risk

A sudden decline in gold prices, and consequently in the value of pledged gold ornaments, may lead to customer defaults if the outstanding loan amount along with accrued interest exceeds the market value of the collateral. This risk is partially mitigated by maintaining a minimum margin of 25% on the assessed value of the gold jewellery when determining the loan amount.

Moreover, the appraisal of gold jewellery is based exclusively on the weight of its gold content, with no consideration given to the weight or value of any embedded stones. Additionally, the sentimental attachment customers often have to their gold jewellery may encourage them to repay and redeem their pledged items, even if the current market value of the collateral is less than the repayment obligation.

While occasional fluctuations in gold prices are unlikely to significantly impact price risk due to the conservative collateral margins maintained, a prolonged and sustained decrease in gold prices could lead to a contraction in our loan portfolio and a corresponding reduction in interest income.

C.3 Foreign Currency Risk

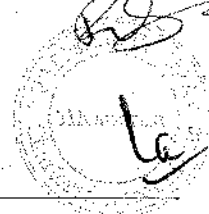
Currency risk refers to the potential for fluctuations in the value of financial instruments due to changes in foreign exchange rates. For the Company, this risk primarily arises from foreign currency borrowings. As of 31st March 2025 the Company has mitigated its exposure to foreign currency risk by entering into forward contracts to hedge its foreign currency borrowings. These hedging transactions are conducted with reputable banks as counterparties.

The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period are as follows:

Particulars	Foreign currency	As at 31st March 2025
Foreign Currency Term Loan	USD	97.21

C.4 Prepayment Risk

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



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

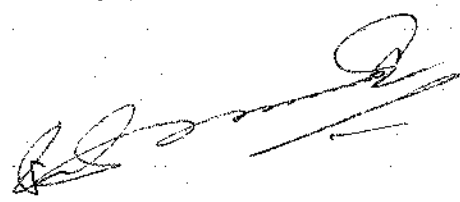
43 Capital management

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 maximise shareholder value.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares, or sell assets to reduce debt.

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.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. Refer Note 46 for the Company's Analytical ratios.



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

44 Disclosures required as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

Sl. No	Particulars	As at 31st March 2025		As at 31st March 2024	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Liabilities side:				
	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:				
	(a) Debentures : Secured	31,977.09	-	14,626.37	-
	: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	17,302.31	-	13,611.28	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial paper	-	-	-	-
	(f) Public Deposits	-	-	-	-
	(g) Other Loans	-	-	-	-
	(i) Subordinated Debt	20,629.49	-	23,300.00	-
	(ii) Overdraft	3,760.30	-	5,664.71	-
(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	-	-	-	-
	Assets side:				
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:				
	(a) Secured		89,253.43		68,622.52
	(b) Unsecured		420.04		1,654.74
(4)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities				
	(a) Financial lease		-		-
	(b) Operating lease		-		-
	(ii) Stock on Hire including hire charges under sundry debtors:				
	(a) Asset on Hire		-		-
	(b) Repossessed assets		-		-
	(iii) Other loan counting towards AFC activities:				
	(a) Loans where assets have been repossessed		-		-
	(b) Loans other than (a) above		-		-
(5)	Break-up of Investments:				
	Current Investments :				
	I. Quoted				
	(i) Shares: (a) Equity		-		-
	(b) Preference		-		-
	(ii) Debentures and Bonds		-		-
	(iii) Units of Mutual funds		-		-
	(iv) Government securities		-		-
	(v) Others (please specify)		-		-



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025

	2. Unquoted:					
	(i) Shares: (a) Equity (b) Preference	-	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-	-
	(iii) Units of Mutual funds	-	-	-	-	-
	(iv) Government securities	-	-	-	-	-
	(v) Others (please specify)	-	-	-	-	-
	<u>Long term Investments:</u>					
	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)	-	-	-	-	-
(6)	Borrower Group-wise classification of assets financed as in (3) and (4) above :					
		As at 31st March 2025			As at 31st March 2024	
		Amount Net of Provisions			Amount Net of Provisions	
	Category	Secured	Unsecured	Total	Secured	Unsecured
	1. Related Parties*					
	(a) Subsidiaries	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-
	(c) Other related Parties	-	-	-	-	-
	2. Other than related parties	88,691.57	358.47	89,050.04	68,450.41	1,651.40
	Total	88,691.57	358.47	89,050.04	68,450.41	1,651.40
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):					
		As at 31st March 2025		As at 31st March 2024		
	Category	Market value/Break-up or fair	Book value (net of Provisions)	Market value/Break-up or fair	Book value (net of Provisions)	
	1. Related Parties*					
	(a) Subsidiaries	Nil	Nil	Nil	Nil	
	(b) Companies in the same group	Nil	Nil	Nil	Nil	
	(c) Other related Parties	Nil	Nil	Nil	Nil	
	2. Other than related parties	Nil	Nil	Nil	Nil	
	Total	-	-	-	-	
	*As per Accounting Standard of Institute of Chartered Accountants of India					
(8)	Other information					
	Particulars	As at 31st March 2025		As at 31st March 2024		
	(i) Gross Non-Performing Assets**					
	(a) Related Parties					
	(b) Other than related parties	1,363.49		365.28		
	(ii) Net Non-Performing Assets**					
	(a) Related Parties					
	(b) Other than related parties	1,157.38		267.65		
	(iii) Asset acquired in Satisfaction of Debt					

****Stage 3 Loan Asset under Ind AS**


MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

(9) Other Disclosures**a) Capital to Risk Weighted Assets Ratio (CRAR)**

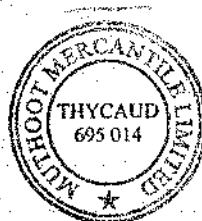
Particulars	As at 31st March 2025	As at 31st March 2024
a) Capital to risk-weighted assets ratio (CRAR)	25.36%	29.82%
b) CRAR - Tier I Capital (%)	19.04%	20.87%
c) CRAR - Tier II Capital (%)	6.32%	8.95%
e) Amount of subordinated debt raised as Tier-II capital	20,629.49	23,300.00
f) Amount raised by issue of Perpetual Debt Instruments	-	-

b) Investments

Particulars	As at 31st March 2025	As at 31st March 2024
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	Nil	Nil
(b) Outside India	Nil	Nil
(ii) Provisions for Depreciation		
(a) In India	Nil	Nil
(b) Outside India	Nil	Nil
(iii) Net Value of Investments		
(a) In India	Nil	Nil
(b) Outside India	Nil	Nil
(2) Movement of provisions held towards depreciation on investments		
(i) Opening Balance	Nil	Nil
(ii) Add: Provisions made during the year	Nil	Nil
Less: Write-off / write-back of excess provisions during the year	Nil	Nil
(iii) Closing Balance	Nil	Nil

c) Derivatives**i) Forward Rate Agreement / Interest Rate Swap**

Sl. No.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	The notional principal of swap agreements	3,499.42	-
(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	17.81	-



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

ii) Exchange Traded Interest Rate (IR) Derivatives

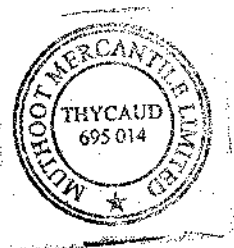
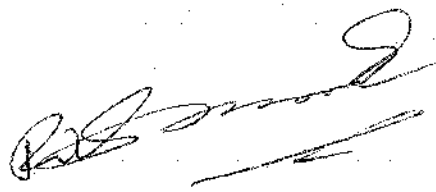
Particulars	As at 31st March 2025	As at 31st March 2024
Exchange Traded Interest Rate (IR) Derivatives	-	-

iii) Disclosures on Risk Exposure in Derivatives**Qualitative Disclosures**

The company undertakes derivative transaction for hedging foreign currency exposures to mitigate the foreign currency risk during the year, the company has hedged its foreign currency borrowings through forward exchange contracts and cross currency swaps. The asset liability management committee monitors such transaction and review the risk involved.

Quantitative Disclosure

Sl. No.	Particulars	As at 31st March 2025		As at 31st March 2024	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) For Hedging	4,945.48	3,499.42	-	-
(ii)	Marked to Market Positions				
	a) Asset	-	17.81	-	-
	b) Liability	54.45	-	-	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

d) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities**As at 31st March 2025**

Particulars	1 to 7 days	8 to 14 days	15 days to 30/31 days	over 1 month upto 2 month	over 2 months upto 3 months	Over 3 month upto 6 month	Over 6 month & upto 1 year	Over 1 year & 3 year	Over 3 years & upto 5 years	Over 5 Years	Balances insensitive to ALM*	Total
Advances**	18,107.35	792.12	1,761.59	1,616.69	863.38	6,747.65	58,102.20	319.00	1,050.33	127.05	-	89,467.36
Borrowings	4,074.58	-	619.83	3,152.04	2,418.09	3,892.82	13,160.47	24,026.07	11,151.91	3,541.81	(673.60)	65,364.02
Foreign currency liabilities	49.99	-	150.00	576.67	400.00	1,266.67	2,583.33	3,293.33	-	-	(14.80)	8,305.19

As at 31st March 2024

Particulars	1 to 7 days	8 to 14 days	15 days to 30/31 days	over 1 month upto 2 month	over 2 months upto 3 months	Over 3 month upto 6 month	Over 6 month & upto 1 year	Over 1 year & 3 year	Over 3 years & upto 5 years	Over 5 Years	Balances insensitive to ALM*	Total
Advances**	12,056.93	896.16	2,653.50	3,498.54	3,597.53	13,252.94	33,956.38	-	189.57	78.08	-	70,179.63
Borrowings	5,786.45	191.42	242.58	56.00	423.97	2,494.46	7,591.07	19,204.35	10,196.73	1,291.69	(129.76)	47,348.96
Foreign currency liabilities	16.73	-	150.00	576.67	150.00	1,016.67	2,033.33	5,710.00	200.00	-	-	9,853.40

*Represents adjustment on account of EIR

** Net of provision for Stage 3 loan asset



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

e) Exposures:**i) The Company has no exposure to the real estate sector directly or indirectly in the current and previous year.****ii) Exposure to capital market:**

Sr. No.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Direct investment in equity shares, convertible bonds, convertible debentures, and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	Nil	Nil
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds.	Nil	Nil
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	Nil	Nil
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	Nil	Nil
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	Nil	Nil
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	Nil	Nil
(vii)	bridge loans to companies against expected equity flows / issues.	Nil	Nil
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
	Total Exposure to Capital Market	Nil	Nil



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

iii) Sectoral exposure

Sr. No.	Sectors	Current Year			Previous Year	
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs*	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	-	-	-	-	-
2	Industry	-	-	-	-	-
3	Services	-	-	-	-	-
4	Personal Loans:	-	-	-	-	-
	Others	420.04	37.80	9.00%	1,654.74	12.26
5	Gold Loan	89,253.43	1325.69	1.49%	68,622.52	353.02
	Total	89,673.47	1,363.49	1.52%	70,277.26	365.28
						0.52%

*Stage 3 Loan Asset under Ind AS

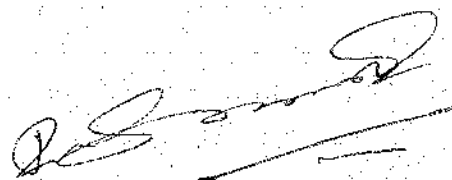
iv) Intra-group exposures

(Rs. in Lakhs)

Sr. No.	Particulars	As at 31st March 2025	As at 31st March 2024
i)	Total amount of intra-group exposures	Nil	Nil
ii)	Total amount of top 20 intra-group exposures	Nil	Nil
iii)	Percentage of intra-group exposures to total	Nil	Nil

v) Unhedged Foreign currency exposure

Sr. No.	Particulars	As at 31st March 2025	As at 31st March 2024
i)	Unhedged Foreign exposure	Nil	Nil




MUTHOOT MERCANTILE LIMITED

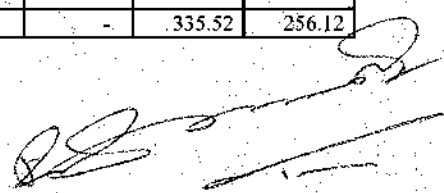
Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

f) Related Party Disclosure

(Rs. in Lakhs)

Related Party	Subsidiaries		Key Management Personnel		Relatives of Key Management		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Maximum during the year								
Borrowings	-	-	597.13	1,056.76	100.60	117.71	697.73	1,174.47
Deposits	-	-	150.00	150.00	-	-	150.00	150.00
Placement of deposits	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Balance outstanding at the year end								
Borrowings	-	-	538.25	597.13	94.45	100.60	632.70	697.73
Deposits	-	-	150.00	150.00	-	-	150.00	150.00
Placement of deposits	-	-	-	-	-	-	-	-
Payables	-	-	109.49	130.47	44.87	38.81	154.36	169.28
Advances	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-
Transactions during the year								
Purchase of fixed/other assets	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-
Interest Paid	-	-	41.58	60.49	4.70	11.35	46.28	71.84
Interest Received	-	-	-	-	-	-	-	-
Remuneration	-	-	169.37	164.08	-	-	169.37	164.08
Others-Income	-	-	-	-	-	-	-	-
Others-Expenditure	-	-	335.52	256.12	-	-	335.52	256.12




MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

g) Disclosure of complaints**1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman**

(Nos.)

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	1	2
2	Number of complaints received during the year	20	8
3	Number of complaints disposed during the year	21	9
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	1
Maintainable complaints received by the NBFC from Office of Ombudsman:			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	11	9
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	11	9
5.2	Of 5, number of complaints resolved through reconciliation/ mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints 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)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

2) Grounds of Top 5 Complaints

Grounds of complaints, (i.e. 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 and Advances	1	20	150%	-	-
Total	1	20		-	-
Previous year					
Loans and Advances	2	8	300%	1	-
Total	2	8		1	-



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

h) Provisions and contingencies (shown under the head expenditure in Statement of Profit and Loss):

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Provision for standard assets (Expected Credit Loss on Stage 1 and Stage 2)	339.50	21.32
Provision for non-performing assets (Expected Credit Loss on Stage 3)	108.48	81.06
Provision for income tax	963.95	930.86
Provision for gratuity	42.56	34.45
Provision for leave encashment	53.50	-
Provision for depreciation on investment	-	-
Provision for other losses	-	-
Total	1,507.99	1,067.69

i) Draw Down From Reserves

There has been no draw down from reserves during the year ended 31st March 2025.

j) Concentration of Deposits, Advances, Exposures and NPAs

Concentration of Deposits (for deposit taking NBFCs)	As at 31st March 2025	As at 31st March 2024
(i) Total Deposits of twenty largest depositors	NA	NA
(ii) Percentage of Deposits of twenty largest depositors to Total Deposits of the deposit taking NBFC.	NA	NA
Concentration of Advances	As at 31st March 2025	As at 31st March 2024
(i) Total Advances to twenty largest borrowers	773.30	897.67
(ii) Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	0.86%	1.28%
Concentration of Exposures	As at 31st March 2025	As at 31st March 2024
(i) Total Exposure to twenty largest borrowers / customers	773.30	897.67
(ii) Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	0.86%	1.28%
Concentration of NPAs	As at 31st March 2025	As at 31st March 2024
(i) Total Exposure to top four NPA accounts	111.07	85.90



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

(All amounts are in Lakhs unless otherwise stated)

k) Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	Nil
2	MSME	Nil
3	Corporate borrowers	Nil
4	Services	Nil
5	Unsecured personal loans	Nil
6	Auto loans	Nil
7	Gold Loan	1.49%
8	Other personal loans	9.00%

l) c) Movement of NPAs

	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Net NPAs to Net Advances (%)	1.30%	0.38%
(ii)	Movement of NPAs (Gross)*		
	(a) Opening Balance	365.28	140.40
	(b) Additions during the year	1,187.07	284.65
	(c) Reductions during the year	188.86	59.77
	(d) Closing Balance	1,363.49	365.28
(iii)	Movement of Net NPAs*		
	(a) Opening Balance	267.65	123.83
	(b) Additions during the year	1,056.30	196.02
	(c) Reductions during the year	166.57	52.20
	(d) Closing Balance	1,157.38	267.65
(iv)	Movement of provisions for NPAs*		
	(a) Opening Balance	97.63	16.57
	(b) Provisions made during the year	130.77	88.63
	(c) Write-off / write back of excess provisions	22.29	7.57
	(d) Closing Balance	206.11	97.63

*Stage 3 Loan Asset under Ind AS

m) Disclosure of Complaints

S.No	Particulars	As at 31st March 2025
(a)	No. of complaints pending at the beginning of the year	1
(b)	No. of complaints received during the year	20
(c)	No. of complaints redressed during the year	21
(d)	No. of complaints pending at the end of the year	-



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)***n) Utilization of Proceeds of Public Issue of Non-Convertible Debentures**

During the year the Company has raised Rs.20,707.77 lakhs (Previous Year: Rs.10,420.49 Lakhs) through public issue of Secured Non-Convertible Debentures. As at 31st March, 2025, the company has utilised the entire proceeds of public issue, net of issue expenses in accordance with the objects in the offer documents.

o) Details of Auction held during the period

Particulars	As at 31st March 2025	As at 31st March 2024
No. of Loan accounts	3,483	4,094
Principal amount Outstanding at the dates of auction(A)	2,082.25	1,797.15
Interest and Other charges Outstanding at the dates of auction(B) (Refer Note 1)	919.62	655.02
Amount to be adjusted against other loans (C)	209.57	95.28
Total(A+B+C)	3,211.44	2,547.45
Value fetched(Refer Note 2)	3,237.83	2,565.30

Note

1. Interest outstanding is recomputed by the management at the time of auction.
2. Interest is excluding GST / Sales tax collected from the buyer.
3. No sister concerns participated in the auctions held during the period.

p) Fraud

During the year, frauds committed by employees and customers on the company amounts to Rs.86.66 Lakhs (Previous year-Rs.32.67 lakhs).ECL provision has been created for the outstanding balance as on 31st March 2025.

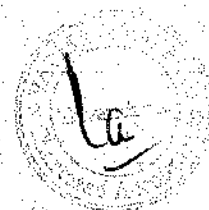
q) Percentage of Gold Loan to Total Assets

Particulars	As at 31st March 2025	As at 31st March 2024
Total Gold loan portfolio	88,691.57	68,450.41
Total Assets	99,080.00	79,205.42
Gold loan portfolio as a percentage of total assets	89.52%	86.42%



MUTHOOT MERCANTILE LIMITED
Notes to the financial statements for the year ended 31st March 2025
(All amounts are in Lakhs unless otherwise stated)
r) Disclosure pursuant to RBI Notification RBI/2019-20/170 DOR (NBFC),CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020
As at 31st March 2025

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS (A)	Loss Allowances (Provisions) as required under Ind AS 109 (B)	Net Carrying Amount (A-B)	Provisions required as per IRACP norms (C)	Difference between Ind AS 109 provision and IRACP norms (B-C)
Performing assets						
Standard	Stage 1	73,130.61	348.27	72,782.34	292.80	55.47
	Stage 2	15,179.37	69.05	15,110.32	60.72	8.33
Total for Standard assets		88,309.98	417.32	87,892.66	353.52	63.80
Non-Performing Assets (NPA)						
Sub-Standard	Stage 3	1,214.05	183.72	1,030.33	190.33	(6.61)
Total for Sub-Standard assets		1,214.05	183.72	1,030.33	190.33	(6.61)
Doubtful						
- Upto 1 year	Stage 3	65.28	16.59	48.69	23.52	(6.93)
- 1 to 3 years	Stage 3	7.66	0.65	7.01	2.40	(1.75)
- More than 3 years	Stage 3	60.29	4.06	56.23	30.14	(26.08)
Total for Doubtful assets		133.23	21.30	111.93	56.06	(34.76)
Loss assets	Stage 3	16.21	1.09	15.12	16.21	(15.12)
Total for Non Performing assets		16.21	1.09	15.12	16.21	(15.12)
Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current Income recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1					
	Stage 2					
	Stage 3					
Total	Stage 1	73,130.61	348.27	72,782.34	292.80	55.47
	Stage 2	15,179.37	69.05	15,110.32	60.72	8.33
	Stage 3	1,363.49	206.11	1,157.38	262.60	(56.49)



MUTHOOT MERCANTILE LIMITED**Notes to the financial statements for the year ended 31st March 2025***(All amounts are in Lakhs unless otherwise stated)*

- 45 Loan to value ratio of gold loan disbursed during the year has exceeded the limit of 75% in certain cases. The outstanding value of such gold loans as at 31st March 2025 is Rs.1,286.35 lakhs as under;

(In Lakhs)	
Percentage of LTV	Amount outstanding as on 31st March 2025
75% to 75.5%	588.82
75.5% to 76%	669.56
Above 76%	27.97
Total	1,286.35

This is also on account fixing the rate per gram based on the average morning/evening price of 22 carat gold (Whichever is higher) for the preceding 30 days, of the India Bullion and Jewellers Association Limited (IBJA). Effective steps are underway to avoid/regulate such cases going forward.

46 Analytical Ratios**1) Capital to risk weighted assets Ratio (CRAR)**

Ratio	Numerator	Denominator	Current Period	Previous Period	% of Variance	Reason for Variance
CRAR	24,958.60	98,405.72	25.36%	29.83%	-14.96%	Increase in risk weighted assets
Tier I CRAR	18,737.08	98,405.72	19.04%	20.87%	-8.78%	Increase in risk weighted assets
Tier II CRAR	6,221.52	98,405.72	6.32%	8.95%	-29.39%	Increase in risk weighted assets

2) Liquidity Coverage Ratio :

The guidelines on liquidity coverage ratio as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 is not applicable to the Company, as the Company is classified as a Base Layer Non-Deposit Taking NBFC (NBFC-BL) hence it has not been disclosed.

47 Additional Disclosure as per Schedule III of Companies Act, 2013

- No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- No registration or satisfaction of charges are pending to be filed with ROC.
- The company has not entered into any scheme of arrangement.
- There are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.
- The company has not traded or invested in crypto currency or virtual currency during the financial year.
- The company does not have any transaction with companies struck off under section 248 of the Companies Act 2013.
- The Company has availed credit facilities from bank or financial institutions during the current year on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with said banks/financial institutions are, with all material respects, in agreement with the books of accounts.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2025.



MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2025

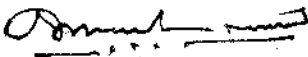
(All amounts are in Lakhs unless otherwise stated)

48 Utilization of Borrowed funds and share premium

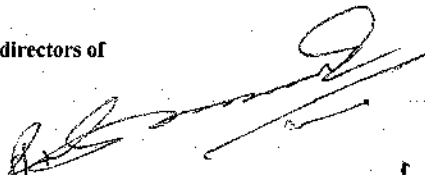
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other persons or entities including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

49 Figures for the previous years have been regrouped / reclassified wherever considered necessary to confirm with the current year's presentation.

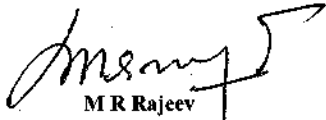
For and on behalf of the board of directors of
Muthoot Mercantile Limited



M Mathew
[Wholtime Director]
DIN 00063078



Richi Mathew
[Managing Director]
DIN 00224336



M R Rajeev
[Chief Financial Officer]
Place: Thiruvananthapuram
Date: 30th May 2025


Arun Kumar V K
[Company Secretary]

As per our report of even date attached

For Varma & Varma
Chartered Accountants
FRN.004532S



Rajeev R
(Partner)
M.No.211277
Place: Thiruvananthapuram
Date: 30th May 2025

