

# **MUTHOOT MERCANTILE LIMITED**

CIN: U65921KL1997PLC011260

Regd Office: 1st Floor, North Block, "Muthoot Floors",  
Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 695014.

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## **Annual Report for the Financial Year 2022-2023**

# MUTHOOT MERCANTILE LIMITED

## Corporate Information

### Directors

Richi Mathew  
*Managing Director*

Mathew M  
*Whole Time Director*

Ammini Mathew  
*Whole Time Director*

Asha Richi Mathew  
*Director*

Justin D  
*Director (Non- Executive & Independent)*

Antony Robert John  
*Additional Director (Non- Executive & Independent)*

### Statutory Auditors

M/s Mohandas & Associates,  
Chartered Accountants,  
Firm Registration Number: 02116S,  
3<sup>rd</sup> Floor, Sree Residency,  
Press Club Road, Thrissur-680001

### Secretarial Auditors

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

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## INVITATION TO ATTEND THE 26<sup>TH</sup> ANNUAL GENERAL MEETING

Dear Members/Directors/Auditors,

You are cordinally invited to attend the 26<sup>th</sup> (twenty sixth) Annual general Meeting of the company scheduled at Tuesday, 04.00 P M on 5th September 2023 at the registered office of the company at Muthoot Floors, 1st Floor, North Block, Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 6950014.

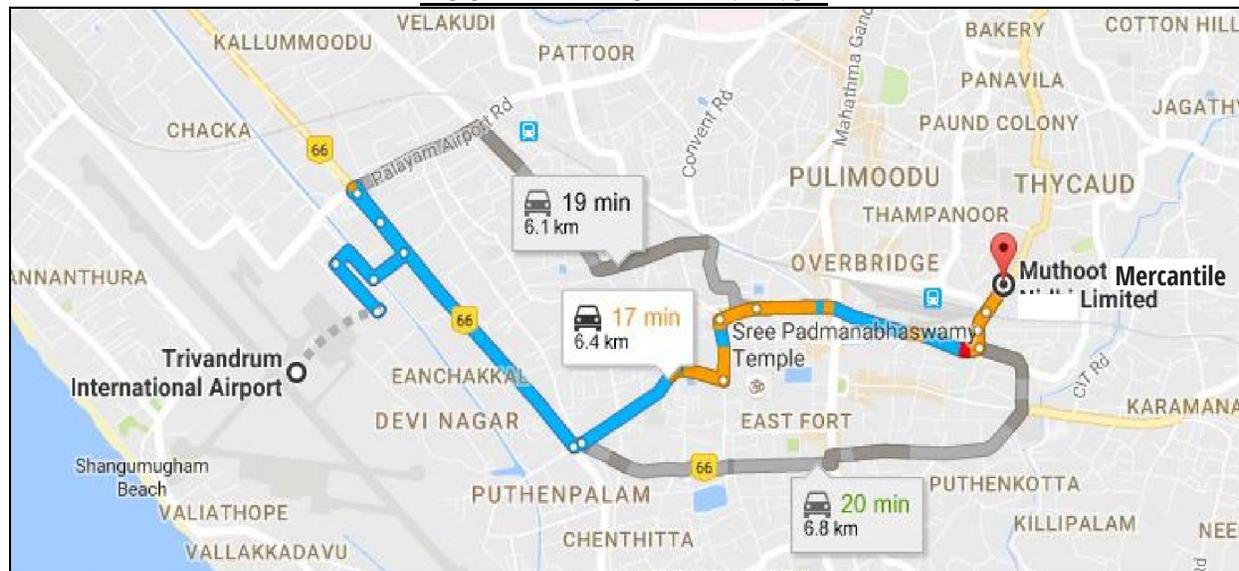
The notice convening the Annual General Meeting is attached herewith.

Yours faithfully,

Sd/-  
**MATHEW MATHAININAN**  
**WHOLE TIME DIRECTOR**  
**DIN:00063078**

**Trivandrum**  
**02.08.2023**

### ROUTE MAP TO THE VENUE



# MUTHOOT MERCANTILE LIMITED

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Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 695014

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**NOTICE IS HEREBY GIVEN THAT THE 26th ANNUAL GENERAL MEETING OF THE MUTHOOT MERCANTILE LIMITED WILL BE HELD ON TUESDAY 04.00 P M ON 05TH SEPTEMBER 2023 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 – Adoption of Financial Statement for the financial Year 2022-2023**

To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2023 along with notes annexed thereto and the reports of the Board of Directors ,report of statutory auditors and report of Secretarial 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 March 31, 2023 and along with notes annexed thereto and the reports of the Board of Directors, report of statutory auditors and report of Secretarial auditors thereon laid before this meeting, be and are hereby considered and adopted.”

**Item No. 2: Re-Appointment of Auditor**

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

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed there under, as amended from time to time, M/s. Mohandas& associates, Chartered Accountants, (FRN No. 02116S) be and is hereby re-appointed as Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 27th AGM of the Company to be held in the year 2024, at such remuneration as may be agreed upon between the Board of Directors and the auditors.

**Item No. 3: To appoint a director in place of M Mathew, who retires by rotation and being eligible, offers himself for reappointment**

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

“**RESOLVED THAT** Mr. M Mathew , (DIN: 00063078) Whole Time Director be and is hereby appointed as Whole Time Director of the Company who retires by rotation and being eligible, offers himself for reappointment”

**SPECIAL BUSINESS:**

**Item no. 4: Regularization of appointment of Mr. Antony Robert John Director (Non-Executive & Independent)**

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the Board of Directors Mr. ANTONY ROBERT JOHN (DIN: 10213030) (IDDB registration no. IDDB-NR-202306-049679) who was appointed an Additional Director in the capacity of an (Non-Executive & Independent) of the Company by Board of Directors w.e.f 26.06.2023 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 up to the date of this Annual General Meeting or the last date on which the next Annual General Meeting should have been held, whichever is earlier and who is eligible for the appointment as Director (Non-Executive & Independent) under the relevant provisions of the Companies Act, 2013, and in respect of whom the company has received a declaration that he meets the criteria for independence as provided under Section 149(6) of the Companies Act ,2013, be and is hereby, appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years with effect from 26.06.2023 till 25.06.2028.”

"**FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) 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."

"**FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) be and is hereby authorized to file necessary forms, intimation , documents and with registrar of Companies, Kerala , Reserve Bank of India and other regulatory authorities.

**Item no. 5: Re-Appointment Mr. Richi Mathew as the Managing Director 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 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and remuneration of managerial personnel) Rules, 2014, (including any statutory amendments or re-enactments thereof from time to time ) and subject to such consent, approvals and permissions, on the recommendation of the Nomination & Remuneration Committee and Audit committee and are agreed to by the Board of Directors, the consent of members be and is hereby accorded for the re-appointment of Mr.Richi Mathew (DIN: 00224336) as Managing Director of the Company not liable to retire by rotation, for a further period of five years with effect from the conclusion of 26th AGM, on a monthly salary not exceeding 5,00,000/- (Rupees in Five Lakhs only), not exceeding perquisite of 15,00,000/- Per year and commission at rate not exceeding 2.585% of the net profits of the company for the Financial Year 2023-

2024 or such percentage of net profits as fixed by the members of the company at Annual General Meeting for the corresponding years;

**RESOLVED FURTHER THAT** approval of members be and is hereby accorded to the Board to pay total remuneration (including monthly salary perquisite, plus Commission) to Mr. Richi Mathew, Managing Director, in excess of 5% of the net profits of the Company calculated as per the provisions of section 198 of the Companies Act, 2013 during his term of appointment;

**FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) 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

**"FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) be and is hereby authorized to file necessary forms, intimation, documents and with registrar of Companies, Kerala, Reserve Bank of India and other regulatory authorities."

**Item no. 6: Re-Appointment Mr. M Mathew as the Whole Time Director 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 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and remuneration of managerial personnel) Rules, 2014, (including any statutory amendments or re-enactments thereof) and, subject to such consent, approvals and permissions on the recommendation of the Nomination & Remuneration Committee and Audit committee are agreed to by the Board of Directors, and the consent of members be and is hereby accorded for the appointment of Mr. Mathew Mathaininan, (DIN: 00063078) as the Chairman cum Whole Time Director of the company for a further period of five years with effect from the conclusion of 26<sup>th</sup> AGM on a monthly salary not exceeding 2,00,000/- and commission at rate shall not exceed 2.585% of the net profits of the company for the Financial Year 2023-2024 or such percentage of net profits as fixed by the members of the company at Annual General Meeting for the corresponding years;

**FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) 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.

**"FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) be and is hereby authorized to file necessary forms, intimation, documents and with registrar of Companies, Kerala, Reserve Bank of India and other regulatory authorities."

**Item no. 7: Re-Appointment Mrs. Ammini Mathew as the Whole Time Director 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 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and remuneration of managerial personnel) Rules, 2014, (including any statutory amendments or re-enactments thereof) and subject to such consent, approvals and permissions and, subject to such consent, approvals and permissions on the recommendation of the Nomination & Remuneration Committee and Audit committee are agreed to by the Board of Directors and are agreed to by the Board of Directors, the consent of members be and is hereby accorded for the appointment of Mrs. AMMINI MATHEW (DIN: 00533771) as Whole Time Director of the company for a further period of five years with effect from the conclusion of 26<sup>th</sup> AGM on a salary not exceeding 200,000/- P.M;

**FURTHER RESOLVED THAT** the Board of Directors Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) 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."

**"FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) be and is hereby authorized to file necessary forms, intimation, documents and with registrar of Companies, Kerala, Reserve Bank of India and other regulatory authorities."

**Item no. 8: To fix the percentage of net profits as commission paid to Mr. Mathew Mathaininan, Whole time Director and Richi Mathew, Managing Director for the Financial Year 2023-2024.**

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

**"RESOLVED FURTHER THAT** sanction of the members be and is hereby accorded, to pay the commission (in addition to the monthly salary) 2.585 Percentage of net profits of the company to Mr. Richi Mathew, Managing Director and Mr. Mathew Mathai Ninan, Whole Time Director each;

**RESOLVED FURTHER THAT** members of the company be and is hereby accorded sanction to pay the commission of Rs. 5,80,098 /- per month (2.585% of net profits of the company) in addition to the monthly salary) per each to Mr. Richi Mathew, Managing Director and Mr. Mathew Mathai Ninan, Whole Time Director within the ceiling limits of 10% Net profits calculated under section 198 of the companies Act, 2013 for the financial year 2023-2024 w. e.f 01<sup>st</sup> April 2023;

**RESOLVED FURTHER THAT** Mr. Richi Mathew (DIN: 00224336), Managing Director or Shri. Mathew Mathai Ninan, Whole Time Director (DIN:00063078) of the Company, be and is hereby authorized to do all such acts, deeds and things which are necessary to give effect to the above said resolution."

**"FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) be and is hereby authorized to file necessary forms with registrar of Companies, Kerala

**Item no. 9: Sub: Authorization of related party Transactions**

**Payment of rent to Mr. M. Mathew, Whole Time Director and Mrs. Ammini Mathew, Whole Time Director 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 the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to the approval of Board of Directors and the consent of members be and is hereby accorded to pay rent of Rs. 1,50,000 per month to Mr. M. Mathew, Whole Time Director and Mrs Ammini Mathew, Whole Time Director of the Company for availing building premises admeasuring 6115 sq. ft. situated at 1<sup>st</sup> Floor, North Block, “MUTHOOT FLOORS”, Opposite W & C Hospital, Thycaud, Thiruvananthapuram-695014 for official purpose.”

**Item no. 10: To approve the alteration of Articles of Association (“AOA”) to addition of Clause 72A with respect to appointment of Nominee Director by Debenture Trustee(s).**

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 14 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the “Act”) read with the respective rules made thereunder, the Articles of Association of the Company be and are hereby altered by adding new clause( Clause No. 72A) as mentioned below:

#### **Proposed New Clause**

#### **72 (A) Appointment of Nominee Directors by Debenture Trustee**

Notwithstanding anything contained in this Articles, the Board shall have the power, on receipt of the nomination by the debenture trustee/ trustee appointed under the trust documents or any other documents relating to or covering the issue of debentures or bonds of the Company, pursuant to and in accordance with the Act, debenture trust deed or any other rules/ regulations/ circular/ guidelines/ notification issued by SEBI or any other government authority in this regard in the event of:

- i. two consecutive defaults in payment of interest to the debenture holders; or
- ii. default in creation of security for debentures or
- iii. default in redemption of debentures,

to nominate and appoint a Director for and on behalf of the holders of the debentures or bonds for such period as notified by such debenture trustee/ trustee but in any case not exceeding the period for which the Debentures/Bonds or any of them shall remain outstanding and for the removal from office of such Nominee Director and on a vacancy being caused whether by resignation, death, removal or otherwise for appointment of a Nominee Director in the vacant place. Such Nominee Director shall neither be required to hold any qualification share or be liable to retire by rotation and shall continue in office for so long as the debt subsists.

**"FURTHER RESOLVED THAT** Mr. Mathew Mathaininan, Whole time Director (DIN: 00063078) or Richi Mathew, Managing Director (DIN: 00224336) be and is hereby authorized to file necessary forms with registrar of Companies, Kerala

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

Sd/-

**MATHEW MATHAININAN**  
**WHOLE TIME DIRECTOR**  
**DIN:00063078**

**Trivandrum**  
**02.08.2023**

**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.

**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	1st Floor, North Block, "Muthoot Floors", Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 695014
Date & Time	05th September 2023 04.00 P M

**Please fill attendance slip and hand it over at the entrance of the meeting venue**

Name	
Address	
Folio No.	
No. of Shares Held.	

I, \_\_\_\_\_ resident of \_\_\_\_\_ being a member/members of **Muthoot Mercantile Limited** hereby appoint the following as my/our proxy to attend vote ( for me and on my behalf at the 26<sup>th</sup> Annual General Meeting of the company to be held on 05th September 2023 04.00 P M and at any adjournment thereof ) in respect of such resolution are as indicated below;

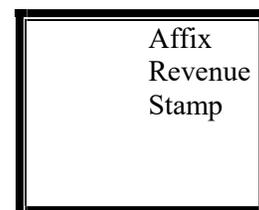
I, Mr/Mrs. \_\_\_\_\_ ( Name & signature of the proxy) or failing him/ her \_\_\_\_\_ Registered address \_\_\_\_\_ E Mail \_\_\_\_\_ Id \_\_\_\_\_ Signature \_\_\_\_\_

<i>Sl No.</i>	<i>Resolution</i>	<i>For</i>	<i>Against</i>
<b><u>Ordinary Business:</u></b>			
1	1. Adoption of Financial Statement for the financial Year 2022-2023		
2	2. Re-Appointment of Statutory Auditor		
3	3. To appoint a director in place of M Mathew, who is retiring by rotation and being eligible offer himself for re-appointment.		

<b><i>Special Business:</i></b>			
4	4. Regularizing the appointment of Mr. Antony Robert John Director (Non-Executive & Independent)		
5	5. Re-Appoint of Mr. Richi Mathew as the Managing Director of the company.		
6	6. Re-Appoint of Shri M Mathew as the Whole Time Director of the company .		
7	7. Re-Appoint of Mrs. Ammini Mathew as the Whole Time Director of the company		
8	8. To Finalize the Net Profit percentage of commission paid to Mr. Mathew Mathaininan, Whole time Director and Richi Mathew, Managing Director for the Financial Year 2023-2024.		
9	9. Payment of rent to Mr. M. Mathew, Whole Time Director and Mrs. Ammini Mathew, Whole Time Director of the Company ( Authorization of related party Transactions.		
10	10. To approve the alteration of Articles of Association (“AOA”) to inserting New clause 72A with respect to appointment of Nominee Director by Debenture Truttee.		

This is optional. Please put a tick mark/(i) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Date:



**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.

## **EXPLANATORY STATEMENTS U/S. 102 OF THE COMPANIES ACT, 2013:**

### ***Item no. 4: Regularization of appointment of Mr. Antony Robert John Director (Non-Executive & Independent)***

ANTONY ROBERT JOHN (DIN: 10213030) (IDDB registration no. IDDB-NR-202306-049679) was appointed as an Additional Director (Non-Executive & Independent) w.e.f. 26.06.2023 in accordance with the provisions of Section 161, 149, 150, 152 read with Schedule IV of the Companies Act, 2013.

Pursuant to Section 161 of the Companies Act, 2013 ANTONY ROBERT JOHN (DIN: 10213030) (IDDB registration no. IDDB-NR-202306-049679) holds office up to the date of the ensuing Annual General Meeting.

The Board feels that presence of ANTONY ROBERT JOHN (DIN: 10213030) (IDDB registration no. IDDB-NR-202306-049679) on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption.

Section 149 of the companies Act, 2013 and provisions prescribe that an Independent director of a company meet the criteria of independence as provided in Section 149(6) of the Act. Based on the declaration under section 149(6) given by the ANTONY ROBERT JOHN (DIN: 10213030) (IDDB registration no. IDDB-NR-202306-049679).

Mr. ANTONY ROBERT JOHN (DIN: 10213030) (IDDB registration no. IDDB-NR-202306-049679) is not disqualified from being appointed as director in terms of Section 164 of the Act and have given his consent to act as Director.

Disclosures under Secretarial Standard - 2, issued by the Institute of Company Secretaries of India is detailed as below.

<b>Sl No.</b>	<b>Particulars</b>	<b>Response</b>
1	Name	Antony Robert John
2	Director Identification Number (DIN)	10213030
3	Terms & Conditions of Appointment	Appointed as Additional Director (Independent & Non executive) of the Muthoot Mercantile Limited with effect from 26.06.2023 to till the next AGM
4	Nationality	Indian
5	Date of Birth Age as on the date	31/05/1966, 57
6	Business Address (along with Phone, Fax and Email)	
7	Residential Address	Little Flower Cottage, Pravachabalam, Nemom P O, Pallichal, Neyyattinkara, Thiruvananthapuram 695020 antonyrobertjohn@gmail.com
8	Educational/professional qualifications	M.Com
9	Experience if any, in the Financial Services Sector	having more than 20 years of experience as Govt teacher in commerce subjects.
10	Details of Remuneration for the Financial	NIL

	Year 2022-2023	
11	Designation and Date of latest appointment on Board	26.06.2023, Additional director (Independent & Non executive)
12	Related Directors	NIL
13	Number of Board Meetings attended during the FY 2022-2023	NA
14	Name(s) of other organizations or entities or associations or Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any	NIL
15	Memberships / Chairmanships of Committees of the Board during the FY 2023-2024	CSR committee Audit Committee Nomination & remuneration Committee Stakeholder Relationship Committee Risk Management Committee Asset Liability Management committee
16	Directorship and Membership of Committees of the Board in Listed entities	NIL
17	Shareholding in the Company in %	NIL
18	Performance Evaluation	100% attendance at Board Meetings, and various Committee Meetings during the FY 2023-2024 till date and actively participated throughout the meetings. The Board evaluated and confirmed that the said Director has exercised duties with due and reasonable care, skill and diligence, along with cent percent independent judgment and in the best in the interest of the Company

None of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, to these resolutions

The Board recommends resolutions under Item No. 4 to be passed as a Special resolution.

**Item no. 5: Re-Appointment Mr. Richi Mathew as the Managing Director of the company.**

Mr. Richi Mathew, (DIN: 00224336) as appointed Managing Director of the company at the AGM held on 28.09.2018 for the term of Five years from the date of AGM. The term of five years of his appointment will expired on 27.09.2023.

The Board of Directors in their meeting held **02.08.2023** has decided to re-appoint Mr. Richi Mathew as Managing Director for a further term of five years from the conclusion 26<sup>th</sup> AGM. The remuneration proposed to be paid to Mr. Richi Mathew is set out below;

Monthly salary: 5,00,000/-

Yearly Perquisite-1500,000/-

Commission: 2.585 % of net profit calculated under section 198, based on the audited financial statements of the FY 2022-2023 for commission to be paid during the FY 2023-2024.

The special resolution proposed to be passed is an enabling resolution , permitting the company to pay the total managerial remuneration including monthly remuneration to the Managing Director exceeds 5% of net profits of the company.

Disclosures under Secretarial Standard - 2, issued by the Institute of Company Secretaries of India is detailed as below.

Sl No.	Particulars	Response
1	Name	RICHI MATHEW
2	Director Identification Number (DIN)	00224336
3	Terms & Conditions of Appointment	Appointed as Managing director of the Muthoot Mercantile Limited with effect from 28.09.2018 for Five Years
4	Nationality	Indian
5	Date of Birth Age as on the date	13/05/1974, 49
6	Business Address (along with Phone, Fax and Email)	1st FLOOR, NORTH BLOCK, "MUTHOOT FLOORS", OPPOSITE W & C HOSPITAL, THYCAUD, THIRUVANANTHAPURAM Thiruvananthapuram KL 695014 IN info@muthootenterprises.com
7	Residential Address	MUTHOOT HOUSE, 26, MUMMY'S COLONY KURAVANKONAM, KOWDIAR, TRIVANDRUM, KERALA 695003. richimathew@gmail.com
8	Educational/professional qualifications	Engg. In Computer Science
9	Experience if any, in the Financial Services Sector	having more than 20 years of experience in NBFC sector.
10	Details of Remuneration for the Financial Year 2022-2023	500,000/- P M
11	Designation and Date of latest appointment on Board	13/08/2018, additional director 28.09.2018, Managing Director
12	Related Directors	Ammini Mathew M Mathew Asha Richi Mathew

13	Number of Board Meetings attended during the FY 2022-2023	08 meetings
14	Name(s) of other organizations or entities or associations or Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any	Muthoot Syndicate Nidhi Limited Muthoot Mercantile Nidhi Limited Richi Mathew Securities Limited Richi Mathew Software Technologies Limited
15	Memberships / Chairmanships of Committees of the Board	CSR committee
16	Directorship and Membership of Committees of the Board in Listed entities	NIL
17	Shareholding in the Company in %	35.72
18	Performance Evaluation	More than 70% attendance at Board Meetings, General Meeting and various Committee Meetings and actively participated throughout the meetings. The Board evaluated and confirmed that the said Director has exercised duties with due and reasonable care, skill and diligence, along with cent percent independent judgment and in the best in the interest of the Company

Upon the recommendation of Nomination & Remuneration Committee at the Board considered the re-appointment of Mr. Richi Mathew, (DIN: 00224336) as the Managing Director of the company. The Committee considers the various factors relating including his experience qualifications and effect of his appointment in the effective management of the affairs of the company.

The Board feels that presence of Mr. Richi Mathew, (DIN: 00224336) Managing Director on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 5 for adoption.

None of the Directors except Mr. Richi Mathew, Mr.Mathew Mathaininan , Mr.Ammi Mathew and Asha Richi Mathew, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, to these resolutions.

The Board recommends resolutions under Item No. 5 to be passed as a Special resolution.

#### **Item no. 6: Re-Appointment Mr. M Mathew as the Whole Time Director of the company.**

Mr. Mathew Mathaininan, (DIN: 00063078) as appointed Whole Time Director of the company at the AGM held on 28.09.2018. The five years as expired from the date of appointment, the resolution passed at the AGM held on 28.09.2018 is salient to the period of appointment, so the board now consider to re-appoint Mr. Mathew Mathaininan, (DIN: 00063078) as the Chairman cum Whole Time Director of the company for further term of five years from the conclusion 26<sup>th</sup> AGM. The Board of Directors in their meeting held 02.08.2023 has decided to re-appoint Mr. Mr. Mathew Mathaininan, (DIN: 00063078) as Chairman cum Whole Time Director for a further term of five years from the conclusion 26<sup>th</sup> AGM.

The remuneration proposed to be paid to Mr. Mathew Mathaininan is set out below;

Monthly salary: 2,00,000/-

Commission: 2.585 % of net profit calculated under section 198, based on the audited financial statements of the FY 2022-2023 for commission to be paid during the FY 2023-2024.

The section 196 (3) of the Companies Act, 2013 inter alia, provides that no company shall continue the employment of a person who has attained the age of 80 years, as Managing Director, Whole Time Director or Manger unless it is approved by the members by passing a special resolution. Part I Schedule V to the Act contains a similar relaxation.

Disclosures under Secretarial Standard - 2, issued by the Institute of Company Secretaries of India is detailed as below.

Sl No.	Particulars	Response
1	Name	MATHEW MATHAININAN
2	Director Identification Number (DIN)	00063078
3	Terms & Conditions of Appointment	Appointed as whole time director of the Muthoot Mercantile Limited with effect from 28.09.2018.
4	Nationality	Indian
5	Date of Birth Age as on the date	31/10/1942,81
6	Business Address (along with Phone, Fax and Email)	1st FLOOR, NORTH BLOCK, "MUTHOOT FLOORS", OPPOSITE W & C HOSPITAL, THYCAUD, THIRUVANANTHAPURAM Thiruvananthapuram KL 695014 IN info@muthootenterprises.com
7	Residential Address	MUTHOOT HOUSE, 26, MUMMY'S COLONY KURAVANKONAM, KOWDIAR, TRIVANDRUM, KERALA 695003. muthootmathew@gmai.com
8	Educational/professional qualifications	Mechanical Engineering
9	Experience if any, in the Financial Services Sector	having more than 50 years of Experience in financial sector, especially more than 25 years of experience in NBFC sector.
10	Details of Remuneration for the Financial Year 2022-2023	200,000/- P M
11	Designation and Date of first appointment on Board Designation and Date of latest appointment on Board	15/04/2005, Director 28.09.2018, Whole Time Director

12	Related Directors	Ammini Mathew Richi Mathew Asha Richi Mathew
13	Number of Board Meetings attended during the 2022-2023	11 meetings
14	Name(s) of other organizations or entities or associations or Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any	Muthoot Mercantile Limited Muthoot Syndicate Nidhi Limited Muthoot Computer Software Development And Research Institute Private Limited Muthoot Mercantile Nidhi Limited Muthoot M Ninan Memorial Charitable Society Muthoot Mrs. Accama Ninan Memorial Charitable Society
15	Memberships / Chairmanships of Committees of the Board	CSR committee NRC committee Audit Committee Stakeholder relationship Committee Risk Mangement committee Asset Liability Mangement committee Debenture allotment committee
16	Directorship and Membership of Committees of the Board in Listed entities	NIL
17	Shareholding in the Company in %	35.86
18	Performance Evaluation	100% attendance at Board Meetings, General Meeting and various Committee Meetings and actively participated throughout the meetings. The Board evaluated and confirmed that the said Director has exercised duties with due and reasonable care, skill and diligence, along with cent percent independent judgment and in the best in the interest of the Company

Upon the recommendation of Nomination & Remuneration Committee at the Board considered the re-appointment of Mr. Mathew Mathaininan, (DIN: 00063078) as Chairman cum Whole Time Director. The Committee considers the various factors relating including his experience qualifications and effect of his appointment in the effective management of the affairs of the company.

The Board feels that presence of Mr. Mathew Mathaininan, (DIN: 00063078) as Chairman cum Whole Time Director on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 6 for adoption.

None of the Directors except Mr. Richi Mathew, Mr.Mathew Mathaininan , Mr.Ammini Mathew and Asha Richi Mathew, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, to these resolutions.

The Board recommends resolutions under Item No. 6 to be passed as a Special resolution.

**Item no. 7: Re-Appointment Mrs. Ammini Mathew as the Whole Time Director of the company.**

Mrs. AMMINI MATHEW (DIN: 00533771) as appointed Whole Time Director of the company at the AGM held on 28.09.2018. The five years as expired from the date of appointment, the resolution passed at the AGM held on 28.09.2018 is salient to the period of appointment, so the board now consider to re-appoint Mrs. AMMINI MATHEW (DIN: 00533771), Whole Time Director of the company for further term of five years from the conclusion 26<sup>th</sup> AGM. The Board of Directors in their meeting held 02.08.2023 has decided to re-appoint Mrs. AMMINI MATHEW (DIN: 00533771) as Whole Time Director for a further term of five years from the conclusion 26<sup>th</sup> AGM. The remuneration proposed to be paid to Mrs. AMMINI MATHEW (DIN: 00533771) is set out below;

Monthly salary: 2,00,000/-

The section 196 (3) of the Companies Act, 2013 inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole Time Director or Manger unless it is approved by the members by passing a special resolution. Part I Schedule V to the Act contains a similar relaxation.

Disclosures under Secretarial Standard - 2, issued by the Institute of Company Secretaries of India is detailed as below.

Sl No.	Particulars	Response
1	Name	AMMINI MATHEW
2	Director Identification Number (DIN)	00533771
3	Terms & Conditions of Appointment	Appointed as whole time director of the Muthoot Mercantile Limited with effect from 28.09.2018.
4	Nationality	Indian
5	Date of Birth Age as on the date	14/01/1951,72
6	Business Address (along with Phone, Fax and Email)	1st FLOOR, NORTH BLOCK, "MUTHOOT FLOORS", OPPOSITE W & C HOSPITAL, THYCAUD, THIRUVANANTHAPURAM Thiruvananthapuram KL 695014 IN info@muthootenterprises.com
7	Residential Address	MUTHOOT HOUSE, 26, MUMMY'S COLONY KURAVANKONAM, KOWDIAR, TRIVANDRUM, KERALA 695003. amminimuthoot@gmail.com
8	Educational/professional qualifications	B.A. Literature
9	Experience if any, in the Financial Services Sector	having more than more than 25 years of experience in NBFC sector.
10	Details of Remuneration for the Financial Year 2022-2023	200,000/- P M
11	Designation and Date of first appointment on Board Designation and Date of latest appointment on Board	15/07/2007, Director 28.09.2018, Whole Time Director

12	Related Directors	M Mathew Richi Mathew Asha Richi Mathew
13	Number of Board Meetings attended during the 2022-2023	11 meetings
14	Name(s) of other organizations or entities or associations or Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any	Muthoot Mercantile Limited Muthoot Syndicate Nidhi Limited Muthoot Computer Software Development And Research Institute Private Limited Muthoot Mercantile Nidhi Limited Muthoot M Ninan Memorial Charitable Society Muthoot Mrs. Accama Ninan Memorial Charitable Society
15	Memberships / Chairmanships of Committees of the Board	Debenture allotment committee Internal Compliance Committee
16	Directorship and Membership of Committees of the Board in Listed entities	NIL
17	Shareholding in the Company (%)	0.319
18	Performance Evaluation	100% attendance at Board Meetings, General Meeting and various Committee Meetings and actively participated throughout the meetings. The Board evaluated and confirmed that the said Director has exercised duties with due and reasonable care, skill and diligence, along with cent percent independent judgment and in the best in the interest of the Company

Upon the recommendation of Nomination & Remuneration Committee at the Board considered the re-appointment of Mrs. AMMINI MATHEW (DIN: 00533771) as Whole Time Director. The Committee considers the various factors relating including her experience qualifications and effect of her appointment in the effective management of the affairs of the company.

The Board feels that presence of Mrs. AMMINI MATHEW (DIN: 00533771) as Whole Time Director on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 7 for adoption.

None of the Directors except Mr. Richi Mathew, Mr.Mathew Mathaininan , Mr.Ammi Mathew and Asha Richi Mathew, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, to these resolutions

The Board recommends resolutions under Item No. 7 to be passed as a Special resolution.

**Item no. 8: To fix the percentage of net profits as commission paid to Mr. Mathew Mathaininan, Whole time Director and Richi Mathew, Managing Director for the Financial Year 2023-2024.**

On 2nd February, 2023 the Securities and Exchange Board of India (“SEBI”) had notified Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023. As per the said amendment, But it is proposed that as a prudent practice to insert a clause No.72A related to the appointment of nominee director by Debenture trustee. The consent of the members of the Company by way of a Special Resolution is required for Alteration of Articles of Association of the Company. Accordingly, this matter has been placed before the Shareholders for approval.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way concerned or interested, financially or otherwise in the special resolution except to the extent of their shareholding in the Company.

The Board recommends resolutions under Item No. 10 to be passed as a Special resolution.

For and on behalf of Board of Director

**Muthoot Mercantile Limited**

Sd/-

**MATHEW MATHAININAN**  
**WHOLE TIME DIRECTOR**  
**DIN:00063078**

**Trivandrum**  
**02.08.2023**

# MUTHOOT MERCANTILE LIMITED

CIN: U65921KL1997PLC011260

Regd Office: 1st Floor, North Block, "Muthoot Floors",  
Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 695014

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure to present the 26<sup>th</sup> Annual Report of the Company together with the Audited Balance sheet and Profit and Loss Account and the report of the Auditors for the Financial Year ended 31<sup>st</sup> March, 2023.

The Auditor's Report in respect of the financial statements does not contain any adverse observations or remarks or qualifications for the audit carried out in respect of the Financial Year 2022-2023.

### I. FINANCIAL RESULTS OF THE COMPANY (All amounts are in Crores of Indian rupees)

Description	As on 31.03.2023 (Rs.)	As on 31.03.2022 (Rs.)
Revenue from operations	94.31	66.74
Other Income	0.36	0.29
<b>Gross Income</b>	<b>94.67</b>	<b>67.02</b>
Less: Expenditure before Depreciation and interest paid	35.23	20.39
Profit before charging interest paid and depreciation	59.44	46.63
Less: Interest paid	32.72	22.07
Depreciation	2.04	1.58
<b>Net Profit Before Tax</b>	<b>24.68</b>	<b>22.97</b>
Less: Provision for Taxation		
Current tax	6.77	6.14
Deferred Tax Expenses/ Income	-0.28	-0.19
<b>Profit for the year</b>	<b>18.19</b>	<b>17.02</b>

### II. FINANCIAL PERFORMANCE AND STATE OF AFFAIRS

The Company has been functioning as a Non- Banking Financial Company (NBFC) with effect from 16.12.2002 on the basis of Certificate of Registration No. N-16.00178 dated 12.12.2002, obtained from the Reserve Bank of India under section 45- IA of the Reserve Bank of India Act, 1934. Interest is provided for the debentures issued. The performance of the company for the financial year ended 31.03.2023 has been encouraging. The Earnings per Share (EPS) of the Company as at 31.03.2023 was Rs. 6.18 and previous year is Rs. 5.79.

### III. Net Profit Trend

The net profit trend of the Company for the previous years' which is summarized as below;

<i>Rs. in Crore</i>				
<b>NET PROFIT OF THE COMPANY FOR THE PREVIOUS FIVE</b>				
<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>
18.19	17.02	14.01	7.8	5.44

### IV. BRANCH NETWORK

During the year under report, the number of branches of the Company expanded to 224 (31.03.2023) all over India (Kerala, Tamil Nadu, Odisha, Maharashtra, Haryana, Uttar Pradesh and New Delhi, Punjab, Madya Pradesh.)

The Company has opened 55 branches during the period under review. The company has planned to spread the branches all over the India during the FY 2023-2024.

### V. CAPITAL AND DEBT STRUCTURE

#### *I. Share Capital of the Company*

The Authorized Share Capital of the Company is Rs. 55,00,00,000/- (Rupees Fifty Five Crores Only) consisting of 5,50,00,000 Equity Shares of Rs.10/- (Rupees Ten Only) each . The Issued, Subscribed and Paid up Share Capital of the Company is Rs. 29,41,87,500/- (Rupees Twenty Nine Crores Fourty one Lakhs eighty Seven Thousand Five Hundred Only) divided into 2,94,18,750 Equity Shares of Rs.10/- (Rupees Ten Only) each.

#### *Dematerialization of shares*

The ISIN for the Equity shares of the Company is INE05F401013.

Total no of shareholders as on 31.03.2023	7(Seven)
No. of Shareholders held shares in Demat form as on 31.03.2023	7(Seven)

#### *Registrar and Share Transfer Agent of the Company (RTA for electronic connectivity with CDSL )*

CDSL Ventures Limited  
Regd. Office: Marathon Futurex, 'A' Wing, 25th Floor, Mafatlal Mills Compound,  
N.M.Joshi Marg, Lower Parel,(E),Mumbai- 400 013.

#### *II. Non-Convertible Debentures*

Your Company has raised Rs. 15,53,45,000 /- by way of issuance of Secured Redeemable Non Convertible Debentures on private placement in various tranches during the FY 2022-2023. The funds raised from Non-Convertible Debentures are utilized for the purpose of general business purpose and working capital requirement of the company.

Series wise details of Debentures allotted during the years as follows;

<i>Debenture Series No.</i>	<i>Date of allotment</i>	<i>Allotment quantity</i>	<i>Number of allottee</i>	<i>SRN (PAS-3)</i>
189	11.06.2022	26,805	41	F07613219
190	08.08.2022	43,240	49	F19845122
191	21.09.2022	38,500	49	F26278242
192	01.02.2023	10,000	2	AA1463573
193	20.03.2023	24800	32	AA1670811
194	31.03.2023	12000	17	A1898122

During the period under review, Your Company has redeemed an aggregate of 86,808 Non-Convertible Debentures out of which 70,208 Non-Convertible Debentures amounting to Rs 7.02 crores were redeemed at the expiry of maturity and 16,600 Non-Convertible Debentures amounting to Rs 1.66 crores were redeemed through pre-closure option before the maturity period after the expiry of one year lock in period.

Series /ISIN wise details of Debentures Redeemed on expiry of maturity period, during the years as follows;

<i>Sl No</i>	<i>Date of redemption</i>	<i>ISIN</i>	<i>Series</i>	<i>Quantity</i>
1	25.05.2022	INE05F407267	178	1600
2	25.05.2022	INE05F407275	178	3900
3	10.07.2022	INE05F407499	183	2000
4	15.07.2022	INE05F407051	173	12305
5	15.07.2022	INE05F407069	173	16895
6	15.01.2023	INE05F407077	174	400
7	15.01.2023	INE05F407085	174	1567
8	10.02.2023	INE05F407119	175	5055
9	10.02.2023	INE05F407135	175	1850
10	16.02.2023	INE05F407655	186	4200
11	16.02.2023	INE05F407663	186	4400
12	27.02.2023	INE05F407168	176	3750
13	27.02.2023	INE05F407176	176	4170
14	23.03.2023	INE05F407218	177	1302
15	23.03.2023	INE05F407226	177	2678
16	16.03.2023	INE05F407762	187	2400
17	16.03.2023	INE05F407747	187	1736
		<b>Total full redemption</b>		<b>70208</b>

*Event after the balance sheet date*

Your company has raised Rs. 2,39,50,000/- by way of issuance of Secured Redeemable Non Convertible Debentures on a private placement basis.

Series wise details of Debentures allotted after the balance sheet date as follows:

<b>Debenture Series No.</b>	<b>Date of allotment</b>	<b>Allotment quantity</b>	<b>Number of allottee</b>	<b>SRN (PAS-3)</b>
195	01.07.2023	23,950	27	AA3277095

VI. **DIVIDEND**

No Dividend was declared for the current financial year.

VII. **RESERVES**

Your Board of Directors has transferred an amount of 3,66,00,000 to the statutory reserve maintained under Section 45 IC of the Reserve Bank of India Act, 1934. Post transfer of profits to reserves, Statutory reserve as on 31.03.2023 Rs.28,77,86,500/-.

The company has retains an amount of Rs.58,21,96,962/- as retained earnings.

VIII. **BONUS SHARES**

No Bonus Shares were issued during the year financial year 2022-2023.

IX. **RESOURCE –FUNDING**

I. *Non-Convertible Debentures:*

Your Company has raised funds through issue of Secured non convertible redeemable debenture through private placement basis, the company has allotted 1,55,345 Debentures through private placement to 190 pre- identified persons by the Board. The company has raised aggregate amount of Rs. 15,53,45,000 during the financial Year 2023-2024.

II. *Subordinated Debts*

Subordinated Debts qualify as Tier II capital under the Non-Banking Financial Company-Non-Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Your company has taken Subordinate debts an aggregate amount of Rs.2,01,23,55,000/- as on 31.03.2023. The company has raised an amount of Rs.50,61,01,000/-by way of subordinate debts during the year period under review.

III. *Bank Finance*

Bank Finance remains an important source of funding for your Company. Your company has raised funds by way of availing credit facility/term loan from State Bank of india, Karur Vysya Bank & the Federal bank. Commercial Banks continued their support to your Company during Financial Year. As of 31st March, 2023, borrowings from banks stood at ` Rs.1,81,74,41,465/-. The company has raised an amount of Rs.85,00,00,000/- by way of term loan during the period under review

## X. HUMAN RESOURCES

The Company had harmonious employee relations throughout the year and it will be the endeavor of your Company to continue to maintain the good organizational atmosphere. The Company strives to improve the way of life, work culture, employee engagement on a continuing basis.

The Company had 758 employees on its rolls at various levels of organizational structure.

## XI. MARKETING

Few of the notable digital marketing initiatives undertaken by the Company during the financial year 2022-2023 through

the Social media marketing is a powerful tool for our business to reach prospects and customers. People discover, learn about us, and follow us on social media. So, it is very important that we have a presence on popular social media platforms to connect with them. Our social media platforms such as Facebook, Instagram, LinkedIn, and Twitter are well managed, optimized, and regularly updated.

## XII. CHANGE IN CATEGORY OF THE COMPANY

Muthoot Mercantile Limited registered as a Non Banking Financial Company (NBFC) under the Certificate of Registration No. N-16.00178 dated 12 th December, 2002, **the company under the category Non-Systemically Important Non-Deposit taking Company.**

The total Asset size of the company has crossed ₹500 crore at the end of the financial year 2022-2023. The same was disclosed in the Audited financial statements for the period ended on 31.03.2023. the same was noted by the board and the same was intimated to Reserve Bank of India.

The company to become systemically important non-deposit taking non-banking financial company based on asset size in the Audited financial statements for the period ended on 31.03.2023.

Total asset size of the company as on 31.03.2023 as follows ;

<i>Particulars</i>	<i>Financial year 2022-2023 (Amount in Rupees)</i>	<i>Financial year 2021-2022 (Amount in Rupees)</i>
Total Asset size of the company as on 31.03.2023	6,06,50,55,548	4,20,35,73,879
Based on the Audited financial statements of the company for the financial Year ended on 31.03.2023		

## XIII. PUBLIC DEPOSITS

Your Company is a non-deposit taking Company. The Company has not accepted any Public deposit during the year under review. Board of Directors of the Company has passed a resolution on 01.04.2022 for non-acceptance of public deposit and the same resolution was intimated to RBI regional office.

#### XIV. ANNUAL RETURN

In accordance with the provisions of Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return of the Company is hosted on the website of the Company.

#### XV. MANAGEMENT

##### i. Composition of Directors

During the Financial Year 2022-23, the Company consisted of the following Directors, the details thereof are provided below;

<i>IN/DPIN/PAN</i>	<i>Full Name</i>	<i>Designation</i>	<i>Date of Appointment</i>
00063078	Mathew Mathaininan.	Wholetime Director	15/04/2005
00224336	Richi Mathew	Managing Director	13/08/2018
00533771	Ammini Mathew	Wholetime Director	15/07/2007
02052516	Chandrasekharan Nair Kamparath	Director( Independent & Non executive)	29/02/2008 Resigned on 03.10.2022
00533836	Reena Verghese	Director	01/02/2020 Resigned on 10.08.2022
08023247	Neelakandan Madaswamy	Director ( Independent & Non executive)	15/12/2017 Resigned on 31.03.2023
05172361	Asha Richi Mathew	Director	02/06/2022
09771752	Dillark Justin	Director ( Independent & Non executive)	21/10/2022

##### ii. Change in Directors/Key Managerial personal

*The changes in the constitution of the Board of Directors and Key Managerial Personnel of the Company during the year under report are as follows:*

Ms. Asha Richi Mathew (DIN: 05172361 ) appointed as an additional director of the company with effect from 02.06.2022. Ms. Reena Verghes (DIN: ) resigned from directorship of the company due to personal reasons with effect from 10.08.2022.

Mr. Chandrasekharan Nair Kamparath, (DIN: 02052516), Independent director resigned from directorship of the company with effect from 03.10.2022, due to personal reasons.

Mr. Dillark Justin (DIN: 09771752) appointed as additional director (Independent & Non- Executive) of the company with effect from 02.06.2022. Mr. Neelakandan Madaswamy, (DIN: 08023247), director (Independent & Non- Executive director resigned from directorship of the company with effect from 31.03.2023, due to personal reasons.

Ms. Aswathy Pradeep, Company Secretary and Key Managerial Personnel of the Company, resigned from the post of Company Secretary with effect from 30<sup>th</sup> November , 2022, due to health issues during the gestation period. Ms. Neethu C Biju., an Associate Member of Institute of Company Secretaries of India, was appointed as whole-time Company Secretary of the Company effective from 03rd January 2023.

***Events occurred after the balance sheet date***

But after the balance sheet date (31.03.2023) Mr. Antony Robert John, (DIN: 10213030) appointed as additional Director (Independent & Non executive) of the Company w.ef 26.06.2023.

**iii. Meetings of Board of Directors**

The Board of directors convened 11 meetings during the Financial Year 2022-2023. The maximum interval between two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The Board meetings held during period under review are follows:

SL No	Meeting Number	Date of Board Meeting	No of Directors who have attended the meeting	No of Directors who have not attended the meeting
1.	359	01.04.2022	6	NIL
2.	360	02.06.2022	4	2
3.	361	15.07.2022	6	1
4.	362	10.08.2022	5	2
5.	363	26.08.2022	5	1
6.	364	21.10.2022	5	NIL
7.	365	03.01.2023	5	1
8	366	16.01.2023	5	1
9.	367	03.03.2023	4	2
10.	368	21.03.2023	5	1
11.	369	29.03.2023	6	NIL

#### iv. Attendance

SL No	Name of Director	No of Meetings entitled to attended	No of meetings attended	Percentage of Attendance
1.	Shri. M.Mathew	11	11	100%
2.	Shri. Richi Mathew	11	08	72.7%
3.	Smt.Ammini Mathew	11	11	100%
4.	Shri. Neelakandan Madaswamy	11	11	100%
5.	Smt. Reena Verghese ,	04	03	75%
6.	Smt.Asha Richi Mathew	09	09	100%
7.	Shri. Chandrasekharan Nair Kamparath	05	01	20%
8.	Shri.Dillark Justin	05	02	40%

#### XVI. Board committee and its meetings

##### a. Audit Committee

Audit Committee was constituted as required under Section 177 of the Companies Act,, 2013 read with Rule 6 and 7 of the Companies (Meeting of the Board and its Powers) Rules, 2014. The functions of Audit committee include the following;

Review of:

Financial statements, Auditors independence & performance, functioning of whistle blower mechanism, End use of funds raised related party transactions etc.

Approval of:

Payment to statutory auditors for rendering any other services, Transactions or modifications of any transactions with related parties.

Recommendation of:

Appointment, Remuneration & Terms of appointment of Auditors etc.

Terms of reference as mentioned in detail in the Audit committee policy of the company.

Audit committee had two changes occurred in the constitution during FY 2022-2023 by adding new member to the committee.

**a. Members of the committee upto the date of 03.10.2022**

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Chandrasekharan Nair Kamarath, Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director.

**b. Members of the committee from 21.10.2022**

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Justin D, Additional Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

**c. Change in the constitution of the committee during the financial Year 2022-2023**

Mr. Justin D, Additional Director (Independent & Non- Executive) appointed as member of the company on 21.10.2022, in place of, Mr. Chandrasekharan Nair Kamarath, Director (Independent & Non- Executive) who has resigned from the directorship of the company with effect from 03.10.2022.

**d. Changes occur after the balance sheet date**

Mr. Antony Robert John , additional director (Independent & Non- Executive) appointed as member of the company on 26.06.2023 in place of Mr. Neelakandan Madaswamy, Director (Independent & Non- Executive), who has resigned from the directorship of the company with effect from 31.03.2023

**e. Meeting of the committee:**

The company has convened 5 meeting during the period under review. The details of meeting of committee as follows:

SL No	Meeting Number	Date of Committee Meeting	No of Members who have attended the meeting	No of Members who have not attended the
1.	I/2022-2023	01.04.2022	2	1
2.	II/2022-2023	15/07/2022	2	1
3.	III/2022-2023	01./10/2022	2	1
4.	IV/2022-2023	03/01/2023	2	1

5.	V/2022-2023	21/03/2023	3	NIL
6.	VI/2022-2023	30/03/2023	3	NIL

**f. Attendance**

SL No	Name of Member	No: of Meetings entitled to attend	No: of meetings attended	Percentage of Attendance
1.	Shri. Mathew Mathaininan	6	6	100
2.	Shri.Chandrasekharan Nair Kamparath	3	0	0
3.	Shri. Neelakandan Madaswamy	6	6	100
4.	Shri. Justin D	3	2	66.67

The company had adopted a vigil mechanism pursuant to which employees of the Company can raise their concern relating to fraud, malpractices or any other activity or event which is against the interest of the Company. Details of the complaints received and the action taken are reviewed by the audit committee from time to time.

**b. Stakeholder Relationship Committee**

During the Financial Year 2022-2023 following changes occurred in the Stakeholders Relationship Committee.

**a. Members of the committee upto the date of 10.08.2022**

1. Smt. Reena Verghese, Director
2. Shri. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive)
3. Smt. Ammini Mathew, Whole time Director

**b. Members of the committee from 21.10.2022**

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Justin D, Additional Director (Independent & Non- Executive)
3. Smt. Ammini Mathew, Whole time Director

**c. Change in the constitution of the committee during the financial Year 2022-2023**

Mr. Neelakandan Madaswamy, Director (Independent & Non- Executive) appointed as member of the company on 21.10.2022, in place of, Smt. Reena Verghese, Director who has resigned from the directorship of the company with effect from 10.08.2022.

Mr. Justin D, Additional Director (Independent & Non- Executive) appointed as member of the company on 21.10.2022, in place of, Mr. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive) who has resigned from the directorship of the company with effect from 03.10.2022.

**d. Changes occur after the balance sheet date**

Mr. Antony Robert John , additional director (Independent & Non- Executive) appointed as member of the company on 26.06.2023 in place of Mr. Neelakandan Madaswamy, Director (Independent & Non- Executive), who has resigned from the directorship of the company with effect from 31.03.2023

**e. Meeting of the committee:**

The company has convened one meeting during the period under review. The details of meeting of committee as follows:

SL No	Meeting Number	Date of Committee Meeting	No of Members who have attended the meeting	No of Members who have not attended the meeting
1.	16	29 <sup>th</sup> March 2023	3	NA

**f. Attendance**

SL No	Name of Director	No: of Meetings who has entitled to attend	No: of meetings attended	Percentage of Attendance
1	Smt. Reena Verghese	0	0	0%
2	Shri. Chandrasekharan Nair Kamparath	0	0	0%
3	Smt. Ammini Mathew	1	1	100%
4	Shri. Justin D	1	1	100%
5	Shri. Neelakandan Madaswamy	1	1	100%

### **c. Risk Management Committee**

The Company has in place a Risk Management Committee to identify, evaluate and report various risk exposures of the Company and to suggest suitable alternatives and remedies to deal with, mitigate or avoid such risks.

#### ***a. Members of the committee upto the date of 03.10.2022***

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

#### ***b. Members of the committee from 21.10.2022***

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Justin D, Additional Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

#### ***c. Change in the constitution of the committee during the financial Year 2022-2023***

Mr. Justin D, Additional Director (Independent & Non- Executive) appointed as member of the company on 21.10.2022, in place of, Mr. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive) who has resigned from the directorship of the company with effect from 03.10.2022.

#### ***d. Changes occur after the balance sheet date***

Mr. Antony Robert John , additional director (Independent & Non- Executive) appointed as member of the company on 26.06.2023 in place of Mr. Neelakandan Madaswamy, Director (Independent & Non- Executive), who has resigned from the directorship of the company with effect from 31.03.2023.

Mr. Rajeev M R, Chief Financial Officer and Mr. Seetharaman V, General Manger of the company inducted as members to the committee with effect from 26.06.2023

The Committee had met once during the FY 2022-2023, the details thereof are provided

SL No	Meeting Number	Date of Committee Meeting	No of Members who have attended the meeting	No of Members who have not attended the meeting
I.	19	29 <sup>th</sup> March 2023	3	NA

**e. Attendance**

SL No	Name of Member	No: of Meetings held during the	No: of meetings	Percentage of Attendance
1.	Shri. Mathew Mathaininan	1	1	100%
2.	Shri. Chandrasekharan Nair Kamparath	0	0	0%
3.	Shri. Neelakandan Madaswamy	1	1	100%
4.	Shri. Justin D	1	1	100%

**d. ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)**

The Company has in place the Asset-Liability Management Committee ("ALCO") constituted in accordance with the RBI guidelines. The ALCO's primary goal is to monitor the asset liability gap and strategize action to mitigate the risk associated.

**a. *Members of the committee upto the date of 03.10.2022***

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

**b. *Members of the committee from 21.10.2022***

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Justin D, Additional Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

**c. Change in the constitution of the committee during the financial Year 2022-2023**

Mr. Justin D, Additional Director (Independent & Non- Executive) appointed as member of the company on 21.10.2022, in place of, Mr. Chandrasekharan Nair Kamarath, Director (Independent & Non- Executive) who has resigned from the directorship of the company with effect from 03.10.2022.

**d. Changes occur after the balance sheet date**

Mr. Antony Robert John , additional director (Independent & Non- Executive) appointed as member of the company on 26.06.2023 in place of Mr. Neelakandan Madaswamy, Director (Independent & Non- Executive), who has resigned from the directorship of the company with effect from 31.03.2023.

Mr.Rajeev M R, Chief Financial Officer and Mr.Seetharaman V, General Manger of the company inducted as members to the committee with effect from 26.06.2023.

During the Financial Year 2022-2023, the Committee met once, the details thereof are provided below:

SL No	Meeting Number	Date of Committee Meeting	No of Members who have attended the meeting	No of Members who have not attended the
1.	22	29 <sup>th</sup> March 2023	3	NA

**e. Attendance**

SL No	Name of Member	No: of Meetings held During the	No: of meetings attended	Percentage of Attendance
1.	Shri. Mathew Mathaininan	1	1	100%
2.	Shri. Chandrasekharan Nair Kamarath	0	0	0%
3.	Shri.Neelakandan Madaswamy	1	1	100%
4.	Shri. Justin D	1	1	100%

**e. NOMINATION AND REMUNERATION COMMITTEE**

The Company has got in place the Nomination and Remuneration Committee pursuant to provisions of Companies Act, 2013.

**a. Members of the committee upto the date of 03.10.2022**

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

**b. Members of the committee from 21.10.2022**

1. Shri. Neelakandan Madaswamy, Director (Independent & Non- Executive)
2. Shri. Justin D, Additional Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

**c. Change in the constitution of the committee during the financial Year 2022-2023**

Mr. Justin D, Additional Director (Independent & Non- Executive) appointed as member of the company on 21.10.2022, in place of, Mr. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive) who has resigned from the directorship of the company with effect from 03.10.2022.

**d. Changes occur after the balance sheet date**

Mr. Antony Robert John , additional director (Independent & Non- Executive) appointed as member of the company on 26.06.2023 in place of Mr. Neelakandan Madaswamy, Director (Independent & Non- Executive), who has resigned from the directorship of the company with effect from 31.03.2023.

Mr. Rajeev M R, Chief Financial Officer and Mr. Seetharaman V, General Manger of the company inducted as member to the committee with effect from 26.06.2023.

The details of meeting(s) held during the Financial Year 2022-2023 are provided below:

SL No	Meeting Number	Date of Committee Meeting	No of Members who have attended the meeting	No of Members who have not attended the meeting
-------	----------------	---------------------------	---------------------------------------------	-------------------------------------------------

1.	1/2021-23	01.04.2022	2	1
2	2/2022-23	02.06.2022	2	1
3	3/2022-23	15.07.2022	2	1
4	4/2022-23	01.10.2022	2	1
5	5/2022-23	03.01.2023	2	1
6	6/2022-23	21.03.2023	3	NA
7	7/2022-23	30.03.2023	3	NA

**e. Attendance**

SL No	Name of Member	No: of Meetings held during the period	No: of meetings attended	Percentage of Attendance
1.	Shri. Mathew Mathaininan	7	7	100%
2.	Shri. Chandrasekharan Nair Kamparath	0	0	0%
3.	Shri. Neelakandan Madaswamy	7	7	100%
4.	Shri. Justin D	2	2	66.67%

**f. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The Company has constituted the CSR Committee pursuant to provisions of Section 135 of the Companies Act, 2013 to make recommendations to the Board regarding the policy and to indicate the activities to be undertaken and to recommend the amount of expenditure to be incurred on the activities and to monitor the policy and activities so undertaken.

**a. *Members of the committee upto the date of 03.10.2022***

1. Shri. Richi Mathew, Managing Director

2. Shri. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

***b. Members of the committee from 21.10.2022***

1. Shri. Richi Mathew, Managing Director
2. Shri. Justin D, Additional Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

***c. Change in the constitution of the committee during the financial Year 2022-2023***

Mr. Justin D, Additional Director (Independent & Non- Executive) appointed as member of the company on 21.10.2022, in place of, Mr. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive) who has resigned from the directorship of the company with effect from 03.10.2022.

***d. Changes occur after the balance sheet date***

Mr. Antony Robert John , additional director (Independent & Non- Executive) appointed as member of the company on 26.06.2023.

The CSR Committee convened four meeting during the financial Year under review.

<b>SL No</b>	<b>Meeting Number</b>	<b>Date of Committee Meeting</b>	<b>No of Members who have attended the meeting</b>	<b>No of Members who have not attended the meeting</b>
<b>1.</b>	1/2022-23	02.04.2022	3	NA
<b>2.</b>	2/2022-23	01.10.2022	2	1
<b>3.</b>	3/2022-23	31.03.2023	2	1

***e. Attendance***

<b>SL No</b>	<b>Name of Member</b>	<b>No: of Meetings entitled to attend</b>	<b>No: of meetings attended</b>	<b>Percentage of</b>

1.	Shri. Mathew Mathaininan	3	3	100%
2.	Shri. Chandrasekharan Nair Kamparath	1	1	33%
3.	Shri. Richi Mathew	3	3	100%
4.	Shri. Justin D	1	0	0%

**g. DEBENTURE ALLOTMENT COMMITTEE**

The Company has constituted and maintained Competent and Qualified Debenture Allotment Committee by complying the provisions of the Companies Act, 2013 and amendments made thereunder.

The functions of the Debenture Allotment Committee include the following; Processing, verifying and approving of Debenture, Applications, Offer Letters, Record of Offers and such other related documents.

Approval of issue and allotment of Secured Redeemable Non- Convertible Debentures on Private Placement basis.

***a. Members of the committee.***

1. Smt Ammini Mathew, Whole time Director
2. Shri. M. Mathew, Whole time Director

***b. Changes occur after the balance sheet date***

Mrs. Syamaladevi L , Manager-FD section, appointed as member of the company on 26.06.2023.

The Debenture allotment committee met Six times during the year to allot the debenture to the applicants during the FY 2022-2023:

SL No	Meeting Number	Date of Committee Meeting	No of Members who have attended the meeting	No of Members who have not attended the meeting
-------	----------------	---------------------------	---------------------------------------------	-------------------------------------------------

1.	153	11/06/2022	2	NA
2.	154	08/08/2022	2	NA
3.	155	21/09/2022	2	NA
4.	156	01/02/2023	2	NA
5.	157	20/03/2023	2	NA
6.	158	31/03/2023	2	NA

*c. Attendance*

SL No	Name of Member	No: of Meetings held during the period	No: of meetings attended	Percentage of
1.	Shri. Mathew Mathaininan	6	6	100%
2.	Smt. Ammini Mathew	6	6	100%

**h. INTERNAL COMPLIANTS COMMITTEE**

*Event after the balance sheet date*

The company has reconstituted Internal Complaints Committee as per the provisions of the POSH Act, the Company has reconstituted an Internal Complaints Committee. Considering certain changes, it is recommended to reconstitute the Committee. The Board was informed that one member from an NGO which is associated for women welfare and committed to the cause of a women or a person familiar with the issue of sexual harassment shall be part of the Internal Complaints Committee. In the absence of such a member, the Board suggested to identify a suitable candidate who shall be nominated to the Committee. Thereafter, the Board reconstituted the Internal Complaints Committee with following members

*a. Members of the committee.*

1. Smt Ammini Mathew, Whole time Director
- 2 Smt. Shyamala Devi L ,Manger-FD section
3. Shri. Sarath S B, Legal Officer
- 4.Smitha , Human Resource Manager

**XVII. BUSINESS SEGMENT**

Company has achieved growth across various operating and financial parameters in the last financial year

## XVIII. BUSINESS PROSPECTS

### LOANS AGAINST GOLD JEWELLERY

This offering allows members a reliable source of credit facility in times of need. In the absence of this product, members might be unable to access credit or alternatively might avail of credit at much higher rates in the form of unsecured loans from money lenders. Gold loans provide an alternate source of funds by monetizing the household gold. Your Directors see better prospects for the Company in the years. As on 31st March 2023 loans against gold jewellery was at Rs.5,07,38,78,632 /- as against Rs. 3,38,51,929.50/- in the previous year

Your Directors give much thrust to increase efficiency and to enhance credibility to improve customer service thereby to provide enhanced satisfaction to the customers.

## XIX. CREDIT RATING

Your Company's outstanding credit facilities with the Financial Institution are rated by Infomerics ratings and India Ratings & Research Private Limited as follows:

### i. Infomerics Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action During the Year 2022-2023
Fund Based - Long Term facilities – Cash Credit	50.00	IVR BBB Stable (IVR Triple B with Stable Outlook)	Assigned

Fund Based - Long Term facilities –Term Loans	64.00	IVR BBB Stable (IVR Triple B with Stable Outlook)	Assigned
Fund based – Proposed Term Loans	36.00	IVR BBB Stable (IVR Triple B with Stable Outlook)	Assigned

### ii. India Ratings and Research (Ind-Ra):

Instrument / Facility	Issue size (million)	Ratings	Rating Action During the Year 2022-2023
Long-term bank loans	INR1,000	IND BBB/Stable	Assigned

## XX. LOAN FROM DIRECTOR

During the year under the review, The Company has not accepted loan from directors;

## **XXI. REGULATORY COMPLIANCE**

Your Company has complied with all the regulatory provisions framed by the Ministry of Corporate Affairs, Government of India, and the Reserve Bank-'so far it is applicable to it The Company has also complied with the requirements of all notifications issued by the MCA.

Your Company has been granted registration under Sec. 45IA of Reserve Bank of India Act, 1934 (Registration Number:16.00178) whereby the Company is allowed to carry on business as a Non-Systemically Important Non deposit Taking Non-Banking Financial Company, under the category Investment & credit Company. The Company has followed all regulatory directions such as, KYC Norms, Provisioning Norms, Loan to value guidelines for Gold loans, Fair Practices Code, etc., as required by the Reserve Bank of India, the regulator for NBFCs.

As on March 31, 2023 the percentage of Gold Loan to total asset is 79.11 %. Your Company's Capital Adequacy Ratio as on March 31, 2023 stood at 38%.of the aggregate risk weighted assets on balance sheet and risk adjusted value of the off-balance sheet items, which is well above the regulatory minimum of 15.00 %.

## **XXII. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE EARNINGS/ OUTGO**

At present the Company has no activities relating to Conservation of Energy or Technology Absorption. Also there is no Foreign Exchange transaction causing Foreign Exchange Earnings or outgo. Hence the report does not contain any particulars prescribed under sub- section 3(m) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

## **XXIII. DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(5) of the Companies Act, 2013, the Board of Directors' hereby declare that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts for the year 2022-2023 'going concern' basis; the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **XXIV. DECLARATION FROM INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**XXV. CORPORATE SOCIAL RESPONSIBILITY**

During the financial year 2022-2023 Company has to spend amount of Rs. 34,95,477 under the provisions of Sec.135 of Companies Act 2013. The Company has spent Rs.35,24,400/- during the period. The Company’s CSR policy is committed towards CSR activities as envisaged in Schedule VII of the Act. The CSR policy of the company reviewed by the Committee is attached herewith as *Annexure-I*.

**XXVI. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts or arrangements or transactions entered by the company during the financial year with related parties were in the ordinary course of business and on Arm’s length basis pursuant to Section 188 of the Companies Act, 2013, is furnished in Form AOC-2 as Annexure II and is attached to this report.

**XXVII. MANAGERIAL REMUNERATION**

As prescribed section 197 (12) of the Companies Act, 2013 under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 there is no employee in the Company who draws remuneration exceeding the amount prescribed therein.

Details of Managerial Remuneration paid under section 197 of the Companies Act, 2013 during the Financial Year 2022-2023 as follows;

<i>Name &amp; Designation</i>	<i>Managerial Remuneration (2022-2023)</i>
M Mathew , Whole Time Director	20,00,000
Richi Mathew, Managing Director	60,00,000
Ammini Mathew, Whole Time Director	24,00,000
Asha Richi Mathew, Director	10,00,000

**XXVIII. STATUTORY AUDITORS**

M/s Mohandas and Associates, Chartered Accountants, [Firm Registration Number- 02116S] - 3rd Floor, Sree Residency, Press Club Road, Thrissur- 680001 to hold the office of the Statutory Auditors in place of M/s Paulson Michael & Co, Chartered Accountants, [Firm Registration Number- 012448S] - 2nd Floor, FC Centenary Building, Tana, Irinjalakuda- 680121 from 25<sup>th</sup> AGM to 26<sup>th</sup> AGM and M/s Mohandas and Associates, Chartered Accountants being eligible offers themselves for re – appointment for the Financial Year 2023-2024 (till the end of 27<sup>th</sup> AGM) of the Company in accordance with provisions of Section 139 and 142 of the Companies Act, 2013.

**XXIX. SECRETARIAL AUDIT**

The outstanding loans or borrowings from banks or public financial institutions exceeds 100 Cr during the financial Year 2022-2023, based on the financial statements for the financial year ended on 31.03.2023. Therefore in accordance with the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 the Company is

required to obtain secretarial auditor report for the financial Year 2023-2024. But it is proposed that as a prudent practice, the Secretarial Audit be conducted for the financial year 2022- 23 on voluntary basis.

The Secretarial Audit under Section 204 of the Act M/s SEP & Associates., Company Secretaries, Trivandrum was appointed as Secretarial Auditors of the Company for the financial year 2022-2023 pursuant to Section 204 of the Act. The Secretarial Audit report issued by the Secretarial Auditors is annexed to this report as *Annexure III*.

### XXX. **INTERNAL AUDIT**

The outstanding loans or borrowings from banks or public financial institutions exceeds 100 Cr during the financial Year 2022-2023, based on the financial statements for the financial year ended on 31.03.2023. Therefore in accordance with the provisions of Section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts of Companies) Rules, 2014 the Company is required to conduct internal audit functions of the company for the financial Year 2023-2024.

### **INVESTOR EDUCATION AND PROTECTION FUND**

During the financial year 2022-23, the company is required to transfer an amount of Rs.9,958/- to the IEPF on account of the unclaimed matured debenture along with interest were unclaimed for seven consecutive years during the financial year 2022-2023 as per the requirements of IEPF Rules.

The Company has transferred an amount of Rs.9,958 on 14.06.2023 vide SRN :X44633667.

#### ***IEPF Nodal officer***

The Company pursuant to the Rule 7(2A) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to appoint a Nodal Officer for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority (IEPF). The Board of your company in its meeting dated 26.05.2023 appointed Mr. Richi Mathew (DIN: 00224336), Managing Director as IEPF Nodal officer of the company .

#### ***Nodal Officer for the purpose of processing the claims of IEPF***

***Richi Mathew***

***Managing Director***

***Contact information:***

***1st Floor, North Block, "Muthoot Floors",***

***Opposite W & C Hospital, Thycaud,***

***Thiruvananthapuram, Kerala-695014.***

### XXXI. **RISK MANAGEMENT POLICY OF THE COMPANY**

The Company is having a board approved Risk Management Policy wherein all material risks faced by the Company: viz, credit risk, operational risks, price and interest rate risks are identified and assessed. Risk Management Department headed and managed by competent persons for identification, assessment and managing/ mitigating risk related issues across the organization. For each of the risks identified in the process, corresponding controls are assessed and policies and procedures are put in place for monitoring, mitigating and reporting risk on a periodic basis.

**XXXII. COMPANY'S POLICY ON BOARD COMPOSITION, COMPENSATION AND EVALUATION CRITERIA**

The Board of Directors has adopted a policy on directors' appointment and remuneration for directors. KMP and other employees including criteria for determining the qualification, positive attributes, and independence of directors as laid down by the Nomination and Remuneration Committee of the Board which is annexed to this report as *Annexure-IV*. The Board has also adopted criteria for evaluating its own performance and of its committees and individual directors as laid down by the Nomination and Remuneration Committee.

**XXXIII. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under. The policy aims to provide protection to employees from sexual harassment at the workplace and redress complaints of sexual harassment and to address the matters connected or incidental thereto, with the objective of providing safe working environment, where employees feel secure. The Company has also constituted an Internal Complaint Committee (ICC) to inquire into complaints of sexual harassment and recommend appropriate action. The Company has not received any complaint of sexual harassment during the Financial Year 2022-2023

Details of complaints related to sexual harassment for the financial Year 2022-2023

Number of complaints pending at the beginning of the financial Year 2022-2023	Nil
Number of complaints received during the financial Year 2022-2023	0
Number of complaints disposed during the financial Year 2022-2023	0
Number of complaints pending as on the end of the financial Year 2022-2023	Nil

**XXXIV. DETAILS OF AUCTION HELD DURING THE YEAR**

<i>Year</i>	<i>Number of loan accounts</i>	<i>Principal amount outstanding at the dates of auctions (A) (</i>	<i>Interest &amp; Other Charges outstanding at the dates of auctions (B)</i>	<i>Amount to be adjusted against other loans</i>	<i>Total (A+B)</i>	<i>Value fetched</i>
2022-2023	4541	17,50,68,689	4,84,13,275	50,09,630	22,84,91,594	22,94,95,720
2021-2022	5298	23,23,26,084	5,58,79,322	-----	28,82,05,406	28,86,06,925

**XXXV. MATERIAL EVENT SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENT**

No material changes and commitment affecting the financial position of the Company had occurred between the ends of the financial year to which the financial statements relate on the date of this report.

**XXXVI. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS ON STATUTORY AUDITORS REPORT AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by the Auditors M/s s Mohandas & Associates, Chartered Accountants, in their report dated 30.06.2023. The notes and financial statements referred in the Audit Report are self-explanatory and do not call for any further comments.

There were no qualifications, reservations or adverse remarks made by the Secretarial Auditors M/s SEP & Associates, Company Secretaries in their report dated 08.07.2023.

**XXXVII. OTHERS**

***I. Other Registration obtained from other Financial Sector Regulators***

Your Company holds a FFMC license. KOC.FFMC.119/2022 and carries on money changing activities through its branches authorised by RBI. As on March 31, 2023, Company had 24 authorised branches.

The RBI renewed the FFMC license valid till 31.03.2024.

Your Company has obtained registration with LEI register India Private Limited was assigned a LEI-code : 984500F0IH75EC7A4156 valid till 25.11.2023.

Your Company has obtained/renewed registration with Financial Intelligence Unit – India (FIU-IND) FIN net 2.0 REID is FI00039050 assigned.

Your Company has obtained registration with CERSAI- Central Kyc Registry with Institution Code:IN6617.

***II. Principal Nodal Officer for Muthoot Mercantile Limited under Banking Ombudsman scheme of RBI***

The company has appointed Mr. Seetharaman V, General Manager of the company as principal Nodal officer under the Banking Ombudsman scheme.

Mr. Seetharaman V

***General Manger***

***Contact information:***

***1st Floor, North Block, "Muthoot Floors",***

***Opposite W & C Hospital, Thycaud,***

***Thiruvananthapuram, Kerala-695014.***

***Mail id:gm@muthootenterprises.com***

***III. Grievance Redressal Officer***

The company has appointed Mr.Premkumar S, Assistant General Manger of the company as grievance redressal officer of the company

Mr.Premkumar S  
*Assistant general Manger*  
Contact information:  
*1st Floor, North Block, "Muthoot Floors",*  
*Opposite W & C Hospital, Thycaud,*  
*Thiruvananthapuram, Kerala-695014.*  
*Mail id:agm@muthootenterprises.com*

#### XXXVIII. ACKNOWLEDGEMENTS

Your Directors place on record their sincere gratitude to the Central and State Governments and their institutions / Departments for their assistance and support extended during the year under report. The Directors also thank the Company's members, depositors and bankers for their support to the Company. The

Directors also express their appreciation for the valuable services rendered to the Company by all those concerned including the employees

#### **FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**RICHI MATHEW**  
**MANAGING DIRECTOR**  
**DIN: 00224336**

Sd/-  
**MATHEW MATHAI NINAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 00063078**

Place: Trivandrum

Date: 02.08.2023

# MUTHOOT MERCANTILE LIMITED

CIN: U65921KL1997PLC011260

Regd Office: 1st Floor, North Block, "Muthoot Floors",  
Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 695014

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## ANNEXURE-I

### MUTHOOT MERCANTILE LIMITED

#### CORPORATE SOCIAL RESPONSIBILITY REPORT

##### I. Scope of CSR Policy

With effect from 1st April, 2014, every company, private limited or public limited, which either has a net worth of Rs.500 Crores or a turnover of Rs.1,000 Crores or a net profit of Rs.5 crores, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility activities. The CSR activities should not be taken in the normal course of business and must be with respect to any of the activities.

Our strategic Corporate Social Responsibility (CSR) initiatives adopted the Corporate Social Responsibility Policy outlining the various activities defined in Schedule VII of the Companies Act, 2013, our CSR initiatives primarily based on social and environmental consequences and at the same time. The Company has, due consideration is given to the interests of its stakeholders.

The Board constituted CSR committee for recommends the amount of expenditure to be incurred on the CSR activities and identify suitable projects and monitoring the implementation of CSR activities from time to time.

Contents of the CSR policy of the Company are displayed on the website of the Company <https://muthootenterprises.com/our-social-commitment>.

##### II. The Composition of the CSR Committee

The Company has constituted the CSR Committee pursuant to provisions of Section 135 of the Companies Act, 2013 to make recommendations to the Board regarding the policy and to indicate the activities to be undertaken and to recommend the amount of expenditure to be incurred on the activities and to monitor the policy and activities so undertaken.

The details of CSR committee composition as:

***Members of the committee upto the date of 03.10.2022***

1. Shri. Richi Mathew, Managing Director
2. Shri. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

**f. Members of the committee from 21.10.2022**

1. Shri. Richi Mathew, Managing Director
2. Shri. Justin D, Additional Director (Independent & Non- Executive)
3. Shri. M. Mathew, Whole time Director

**g. Change in the constitution of the committee during the financial Year 2022-2023**

Mr. Justin D, Additional Director (Independent & Non- Executive) appointed as member of the company on 21.10.2022, in place of, Mr. Chandrasekharan Nair Kamparath, Director (Independent & Non- Executive) who has resigned from the directorship of the company with effect from 03.10.2022.

**h. Changes occur after the balance sheet date**

Mr. Antony Robert John , additional director (Independent & Non- Executive) appointed as member of the company on 26.06.2023.

<b>SL No</b>	<b>Name of Member</b>	<b>Designation</b>	<b>No: of meetings entitled to attended</b>	<b>No. of meetings attended</b>
1	Shri. Mathew Mathaininan	Whole Time Director	3	3
2	Shri. Chandrasekharan Nair Kamparath	Independent Director	1	1
3	Shri. Richi Mathew	Managing Director	3	3
4	Shri. Justin D	Independent Director	1	0

- III.** Web-link where CSR Policy approved by the board are disclosed on the website of the Company.

<https://muthootenterprises.com/our-social-commitment>.

- IV. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

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

<i>SL.No.</i>	<i>Financial Year</i>	<i>Amount available for set off from preceding financial year (in ₹)</i>	<i>Amount required to be set off or the financial year, if any (in ₹)</i>
1	2021-2022	52,694	NIL

- VI. Average Net Profit of the Company for last 3 financial years:17,47,73,850/-

- VII. a. Two percent of average net profit of the Company as per section 135(5)  
: 34,95,477/-

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

c. Amount required to be set off for the financial year, if any: NIL

d. Total CSR obligation for the financial year (7a+7b-7c) : 34,95,477/-

- VIII. a. CSR amount spent or unspent for the financial year

<i>Total Amount Spent for the Financial Year</i>	<i>Amount Unspent (₹ in lakhs)</i>				
	<i>Total Amount transferred to Unspent CSR Account as per Section 135(6) Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)</i>				
	<i>Amount</i>	<i>Date of Transfer</i>	<i>Name of the fund</i>	<i>Amount</i>	<i>Date of Transfer</i>
	NIL				

b. Details of CSR amount spent against ongoing projects for the financial year :NIL

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

<i>Sl No.</i>	<i>Name of the Project</i>	<i>Item from the list of activities in schedule VII to the Act</i>	<i>Local area (Yes/No)</i>	<i>Location of the project</i>		<i>Amount spent for the project</i>	<i>Mode of implementation - Direct (Yes/No)</i>	<i>Mode of implementation - Through implementing agency</i>	
				<i>State</i>	<i>District</i>			<i>Name</i>	<i>CSR registration number</i>
1	Activities related to	Item No. I iv) promoting	Yes	Kerala	Thiruvananthapuram	3524400	Yes	NIL	NA

	Covid-19 , Post Covid-19 Relief and promoting healthcare of general peoples lived in the locality.	health care including preventative health Care							
--	-------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------	--	--	--	--	--	--	--

d.Amount spent in Administrative Overheads: NIL

e. Amount spent on Impact Assessment, if applicable:NIL

f. Total amount spent for the Financial Year (VIII ( b+c+d+e) : 35,24,400/-

**IX.** a. Details of Unspent CSR amount for the preceding three financial years

<i>Sl No.</i>	<i>Preceding Financial Year</i>	<i>Amount transferred to Unspent CSR Account under Section135 (6)</i>	<i>Amount spent in the reporting Financial Year</i>	<i>Amount transferred to any fund specified underSchedule VII as per Section 135(6), if any</i>			<i>Amount remaining to be spent in succeeding financial years</i>
				<i>Name of the Fund</i>	<i>Amount</i>	<i>Date of transfer</i>	
1	2021-2022						NIL
2	2020-2021						NIL
3	2019-2020						NIL

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

<i>Sl No.</i>	<i>Project ID</i>	<i>Name of the Project</i>	<i>Financial Year in which the project was commenced</i>	<i>Proj ect dura tion</i>	<i>Total amount allocated for theproject Amount</i>	<i>Amount spent on the projectin the reporting Financial Year</i>	<i>Cumulative amount spent at the end of reporting Financial Year</i>	<i>Status of the project - Completed / Ongoing</i>
1								NIL

**X.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired throughCSR spent in the financial year:

a. Date of creation or acquisition of the capital asset: Not Applicable

- b. Amount of CSR spent for creation or acquisition of capital asset: NIL
  - c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable
  - d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable
- XI.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):
- Not Applicable
- XII.** A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, follows CSR objectives and Policy of the Company

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**RICHI MATHEW**  
**MANAGING DIRECTOR**  
**DIN: 00224336**

Sd/-  
**MATHEW MATHAI NINAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 00063078**

Place: Trivandrum

Date: 02.08.2023

# MUTHOOT MERCANTILE LIMITED

CIN: U65921KL1997PLC011260

Regd Office: 1st Floor, North Block, "Muthoot Floors",  
Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 695014

## ANNEXURE-II

### FORM NO.AOC-2

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

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

#### 1. Details of Contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<b>NOT APPLICABLE</b>
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	

g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

Name (s) of the related party	Nature of Relationship	Nature of contracts/ a arrangement is/transaction	Duration of the contracts/ arrangements/ transactions/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
M Mathew & Ammini Mathew	Whole Time Directors	Lease Agreement	11 Months	To pay rent of Rs. 15,0,000/- Per Month	01.04.2022	Rs.1.5 Cr paid as advance
Muthoot Syndicate Nidhi limited	Company with common Directors	Lease Agreement	11 Months		01.04.2021	-

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**RICHI MATHEW**  
**MANAGING DIRECTOR**  
**DIN: 00224336**

Sd/-  
**MATHEW MATHAI NINAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 00063078**

Place: Trivandrum

Date: 02.08.2023

## ANNEXURE-III

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023  
[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 the **Company's** 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 **31<sup>st</sup> March, 2023** ("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 **31<sup>st</sup> March, 2023** 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) Foreign Exchange Management Act, 1999 and the rules and regulations to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable during the audit period)
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;(Not applicable during the audit period)

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable during the audit period)
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the audit period)
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable during the audit period)
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable during the audit period)
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the audit period)
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the audit period)
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Not applicable during the audit period)
  - j) The Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018; (Not applicable during the audit period)
  - k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009; (Not applicable during the audit period)
- (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) Non- Banking Financial Company Returns (Reserve Bank) Directions, 2016
  - b) Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016
  - c) Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016
  - d) Master Direction – Information Technology Framework for the NBFC sector
  - e) Scale Based Regulation (SBR): Revised Regulatory Framework for NBFCs
- (vii) The Prevention of Money Laundering Act, 2002 and the Regulations and Bye-laws framed thereunder;
- (viii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder;
- (ix) Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 and Rules made thereunder;
- (x) Employees’ State Insurance Act, 1948 and Rules made thereunder.

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, to the extent applicable.

**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 the following securities has taken place:

SL. No.	Method of Issue	Date of Allotment	Particulars
1.	Private Placement	11/06/2022	26805 Fully paid up Secured Redeemable Non-Convertible Debentures of Rs. 1,000/- each amounting to a total of Rs. 2,68,05,000/- (Rupees two crores sixty-eight lakhs and five thousand only).
2.	Private Placement	08/08/2022	43240 Fully paid up Secured Redeemable Non-Convertible Debentures of Rs. 1,000/- each amounting to a total of Rs. 4,32,40,000/- (Rupees four crores thirty-two lakhs and forty thousand only).
3.	Private Placement	21/09/2022	38500 Fully paid up Secured Redeemable Non-Convertible Debentures of Rs. 1,000/- each amounting to a total of Rs. 3,85,00,000/- (Rupees three crores and eighty-five lakhs only).
4.	Private Placement	01/02/2023	10000 Fully paid up Secured Redeemable Non-Convertible Debentures of Rs. 1,000/- each amounting to a total of Rs. 1,00,00,000/- (Rupees one crore only).
5.	Private Placement	20/03/2023	24800 Fully paid up Secured Redeemable Non-Convertible Debentures of Rs. 1,000/- each amounting to a total of Rs. 2,48,00,000/- (Rupees two crores and forty-eight lakhs only).
6.	Private Placement	31/03/2023	12000 Fully paid up Secured Redeemable Non-Convertible Debentures of Rs. 1,000/- each amounting to a total of Rs. 1,20,00,000/- (Rupees one crore and twenty lakhs only).

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

<b>Date of Resolution</b>	<b>Legal Provision</b>	<b>Resolution</b>
23/04/2022	Section 42 and Section 71 of Companies Act, 2013	Issue of Non-Convertible Debentures aggregating to 25 Crore limit for the financial year 2022-23 on private placement basis.

**We further report that** during the period under review, the Company redeemed an aggregate of 86,808 Non-Convertible Debentures out of which 70,208 Non-Convertible Debenture amounting to Rs 7.02 crores were redeemed at the expiry of maturity and pre-closed and 16,600 Non-Convertible Debentures amounting to Rs 1.66 crores were redeemed through pr- closure option before the maturity period.

**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 decision taken by the members in pursuance to the Companies Act, 2013 other than those mentioned above;
- (iii) Redemption of securities other than those mentioned above;
- (iv) Buy-back of securities
- (v) Merger/amalgamation/ reconstruction;
- (vi) Foreign technical collaborations.

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

**For SEP & Associates**

Company Secretaries

(Peer Review Certificate no. 3693/2023)

**UDIN: F003050E000570881**

**CS Puzhankara Sivakumar**

Managing Partner

FCS: F3050 COP: 2210

Date: 08.07.2023

Place: Kochi

## ANNEXURE A TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To  
The Members  
**Muthoot Mecantile 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 31<sup>st</sup> March, 2023 but before the issue of this Report.

**For SEP & Associates**  
Company Secretaries  
(Peer Review Certificate no. 3693/2023)

**UDIN:**

**Sd/-**  
**CS Puzhankara Sivakumar**  
Managing Partner  
FCS: F3050 COP: 2210

Date: 08.07.2023  
Place: Kochi

# MUTHOOT MERCANTILE LIMITED

CIN: U65921KL1997PLC011260

Regd Office: 1st Floor, North Block, "Muthoot Floors",  
Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 695014

## ANNEXURE-IV

### **Salient features of Company's policy on Board Composition, Compensation and Evaluation criteria- Nomination & remuneration Committee policy.**

#### **Composition of Directors**

Composition of the Board of the Muthoot Mercantile limited during the financial Year 31.03.2023 as follows:

IN/DPIN/PAN	Full Name	Designation	Date of Appointment
00063078	Mathew Mathaininan.	Wholetime Director	15/04/2005
00224336	Richi Mathew	Managing Director	13/08/2018
00533771	Ammini Mathew	Wholetime Director	15/07/2007
08023247	Neelakandan Madaswamy	Director ( Independent & Non executive)	15/12/2017 Resigned on 31.03.2023
05172361	Asha Richi Mathew	Director	02/06/2022
09771752	Dillark Justin	Director ( Independent & Non executive)	21/10/2022

Mr. Antony Robert John, (DIN: 10213030) appointed as additional Director (Independent & Non executive) of the Company w.ef 26.06.2023.

#### **Appointment**

The Committee shall recommend appointment of Directors, Key Managerial Personnel and Senior Management Staff of the Company by considering the following:

- Ensure the candidate possess adequate qualification, expertise and experience commensurate with the position.
- Priority may be given to persons with Professional Qualifications and experience in the similar line of business.
- Code of Conduct of Independent Directors and other Statutory compliances with respect to the appointment/remuneration of Independent Directors.

### **Rotation of Directors**

As per the Clause No.87 of the Articles of Association of the Company and pursuant to section 152 of the Companies Act, 2013, at every General Meeting 1/3rd of the directors for the time being are liable to retire by rotation, or if their number neither three nor multiple of three, then the number nearest to one third, shall retire from the office.

The Managing Director, Independent Director (s) and Nominee Directors(s), if any shall not be liable to retire by rotation.

The directors liable to retire by rotation at every Annual general Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves be determined by lot.

Retiring director shall be eligible for re- election. The retiring director shall continue in office till the conclusion of the meeting at which he retires.

At the Annual General Meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

The Key Managerial Personnel and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Key Managerial Personnel and Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company as decided by the board from time to time.

### **Removal**

As per the Clause No.88 of the Articles of Association of the Company and pursuant to section 169 of the Companies Act, 2013

Due to reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations, thereunder, the Nomination and remuneration committee Committee may recommend, to the Board with reasons to be recorded in writing, removal of a Director (other

than nominee Director), Key Managerial Personnel or Senior Management, subject to the provisions and compliance of the said Act, such other applicable law, rules and regulations.

## Remuneration

The Committee shall ensure:

Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

The remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

## Evaluation of performance of Directors, Senior Management

The Board of directors shall consider the following factors for the purpose of evaluating the performance of the directors, KMPs senior Management:

Sl No.	Particulars
1	Attendance and participations in the Meetings (including General meeting, Board and Committee)
2	Adherence to ethical standards & code of conduct of Company
3	Interpersonal relations with other directors and management
	Effective deployment of knowledge and expertise
4	Contribution towards growth of the Company
	Integrity and maintaining of confidentiality
5	Leadership initiative
	Independence of behaviour and judgment
6	Compliance with policies, Reporting of frauds, violation etc. and disclosure of interest
7	Safeguard of confidential information
8	an Independent director shall also be evaluated on the following parameters:  Exercise of objective independent judgment in the best interest of Company; Ability to contribute to and monitor corporate governance practice; and Adherence to the code of conduct for independent directors.

## Evaluation of performance of Board

Sl No.	Particulars
1	Is the composition of the board appropriate, Size, structure and expertise of the Board?

	Oversight of the Financial Reporting Process, including Internal Controls
2	Are sufficient numbers of board meetings, of appropriate length
	Independent review the performance of Board based on the following parameters:  review the performance of non-independent directors and the Board as a whole review the performance of the Chairperson of the company, taking into account the views of executive directors and nonexecutive directors assess 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
3	leadership, teamwork, accountability, decision-making, communication and efficiency of the board
4	Compliance with applicable Acts, Rules , regulations and policies.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**RICHI MATHEW**  
**MANAGING DIRECTOR**  
**DIN: 00224336**

Sd/-  
**MATHEW MATHAI NINAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 00063078**

Place: Trivandrum

Date: 02.08.2023

# MUTHOOT MERCANTILE LIMITED

CIN: U65921KL1997PLC011260

Regd Office: 1st Floor, North Block, "Muthoot Floors",  
Opposite W & C Hospital, Thycaud, Thiruvananthapuram , Kerala- 695014

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## ANNEXURE-V

### **Management discussion and analysis report**

#### **Company Overview**

Muthoot Mercantile Limited, a leading NBFC is the flagship company of Muthoot Ninan Group. Muthoot Ninan Group was started by its founding father, late M. Ninan Muthoot, in the year 1939.

Muthoot Mercantile Limited (MML) was incorporated as a Public Limited Company in the year 1997 and was registered as a Non Banking Finance Company by the Reserve Bank of India in the year 2002. The Company has been functioning as a Non- Banking Financial Company (NBFC) with effect from 16.12.2002 on the basis of Certificate of Registration No. N-16.00178 dated 12.12.2002, obtained from the Reserve Bank of India under section 45- IA of the Reserve Bank of India Act, 1934.

Muthoot Mercantile Limited is not just an ordinary gold loan company. It is a place where the basis of business is built on relationship and trust.

Muthoot Mercantile Limited mainly focuses mainly on lending against the security of Gold.

#### **Macro-Economic Environment**

Last year global economy as well as Indian economy have been the struggling to overcome the crises due to Covid -19 , and the Russian-Ukraine conflict.

According to the IMF, the global economic growth has slowed to 3.4% in 2022, down from 6.3% in 2021, and is anticipated to fall further to 2.8% in 2023.

The Indian Economic survey 2022-2023 says that Despite the three shocks of COVID-19, Russian-Ukraine conflict and the Central Banks across economies led by Federal Reserve responding with synchronised policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23.

India's GDP growth for FY2023 has been recorded at 7.2%, which is excellent when compared to the growth of other economies around the world. Inflation (CPI) in the country averaged 6.7%

during 2022-23, which is slightly higher than the RBI's CPI inflation target of 4% within a +/-2% band. Throughout the year, monthly inflation ranged from 5.7% to 7.8%. CPI inflation is expected to cool-off to 5.2% in 2023-24, according to the RBI.

### **Industry Overview:**

Increase in gold loan with NBFCs in the last two years due to rise in the price of gold ,easy availability of loans, attractive interest rates, flexible repayment options, minimal documentation, safe and secure gold storage faster loan disbursals through digital lending platforms.

### **SWOT Analysis**

#### ***Strength:***

Well established brand name and reputation in the market  
Large network of branches and strong customer base across the geographies  
Fast loan processing and disbursements  
Customer base

#### ***Weaknesses***

High finance cost (debentures and subordinate debts)  
Overdependence on Gold Loan linked products  
Vulnerability to fluctuations in Gold prices and loan defaults

#### ***Threats***

Vulnerability to fluctuations in Gold Loans due to geopolitical uncertainties in gold prices  
Competition from the Banks and other NBFCs  
Higher interest rate compared to banks

#### ***Opportunities***

Increased demand for gold backed loans  
Expanding customer base by expanding branch networks

### **FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**RICHI MATHEW**  
**MANAGING DIRECTOR**  
**DIN: 00224336**

Sd/-  
**MATHEW MATHAI NINAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 00063078**

Place: Trivandrum

Date: 02.08.2023

**Muthoot Mercantile Limited**

**Financial statements for the FY 2022-2023**

**To  
The Board of Directors,  
Muthoot Mercantile Limited**

- 1 We have audited the attached Balance Sheet of **Muthoot Mercantile Limited** ('the Company') as at 31<sup>st</sup> March, 2023 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto and issued our audit opinion dated 30<sup>th</sup> June , 2023 thereon. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. Our audit was conducted in the manner specified in the audit report.
  
- 2 As required by the Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (the Bank) and amended from time to time (the Directions), based on our audit referred to in paragraph 1 above and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder on the matters specified in paragraph 3 and 4 of the Directions.
  - a) The Company is engaged in the business of Non Banking Financial Institution (NBFI) as defined in section 45-I(a) of the Reserve Bank of India Act, 1934 (the Act), during the year ended 31<sup>st</sup> March, 2023 .With effect from 12<sup>th</sup> December , 2002 the Company is registered with the Bank as an NBFI without accepting public deposits vide Certificate of Registration ('CoR') number N-16.00178 dated 12<sup>th</sup> December, 2002 with the Bank.
  - b) Based on the asset/income pattern as on 31<sup>st</sup> March, 2023 determined by the Management in accordance with the audited financial statements for the year ended as on that date, and with reference to Non Banking Financial Company- Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, the Company is entitled to continue to hold such CoR;
  - c) The Company has met the required net owned fund requirement as laid down in Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
  - d) The Board of Directors has passed a resolution on 1<sup>st</sup> April, 2022 for non acceptance of any public deposits.
  - e) The Company has not accepted any public deposits during the year ended 31<sup>st</sup> March, 2023.

- f) The Company has complied with the prudential norms relating to income recognition, , asset classification and provisioning for bad & doubtful debts as applicable to it in terms of Non Banking Financial Company- Non-Systemically Important Non-Deposit taking Company (Reserve Bank)Directions, 2016 during the year ended 31<sup>st</sup> March, 2023.
- 3 We have no responsibility to update this report for events and circumstances occurring after the date of our audit opinion mentioned in paragraph 1.
- 4 This report is issued solely for reporting on the matters specified in paragraph 3 and 4 of the Directions, to the Board of Directors and is not to be used or distributed for any other purpose.

**For Mohandas & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No: 002116S

Place: Thrissur  
Date: 30<sup>th</sup> June, 2023

**Mohandas A**  
**[Partner]**  
**Membership No :036726**  
UDIN:

# **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 comprises the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 31<sup>st</sup> March, 2023, and its profit 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, 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.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

## **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon. The Directors' report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

## **Responsibility 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 Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in the paragraph 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, 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial 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 the requirements of Section 197(16) of the Act, as amended; During the year the Company has complied with the provisions of Section 197 of the Companies Act, 2013 with respect to the remuneration paid to its directors.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. Amount of ₹ 9,956/- required to be transferred to the Investor Education and Protection Fund is not yet paid by the Company.
- (i) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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; and
- (c) Based on such audit procedures that we have 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) contain any material mis-statement.

- (j) The company has not declared or paid any dividend during the year.
- (k) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1<sup>st</sup> April,2023, and accordingly,reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

**For Mohandas & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No: 002116S

Place: Thrissur  
Date: 30<sup>th</sup> June, 2023

**Mohandas A**  
**[Partner]**  
Membership No: 036726  
UDIN:

**The Annexure “A” referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of the Our Report of even date to the members of Muthoot Mercantile Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2023.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;  
  
(B) The Company has maintained proper records showing full particulars of intangible assets;
- b) All the Property, Plant and Equipment have not been physically verified by the management during the period but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification;
- c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company;
- d) The company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets or both during the year;
- e) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- ii) a) The Company is a Non-Banking Financial Company engaged in the business of providing loans and does not hold any type of physical inventories. Therefore, the provisions of paragraph 3(ii)(a) of the Companies (Auditor’s Report) Order, 2020 are not applicable to the Company;
- b) During the year, the company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions on the basis of security of current assets and the statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;
- iii) During the year the company has granted loans or advances, secured or unsecured, to parties other than companies, firms, Limited Liability Partnerships.
  - a) The Company is a Non- Banking Financial Company engaged in the principal business of providing loans. Therefore, the provisions of paragraph 3(iii)(a) of the Companies (Auditor’s Report) Order, 2020 are not applicable to the Company;
  - b) The terms and conditions of all the loans and advances granted by the company during the year are not prejudicial to the company’s interest;

- c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the company has provided provision for Non-Performing Assets as per Prudential Norms of RBI on loans and advances where the repayments or receipts are irregular;
  - d) Total principal amount overdue for more than ninety days is ₹ 7,17,22,622/- and reasonable steps have been taken by the company for recovery of the principal and interest;
  - e) The Company is a Non- Banking Financial Company engaged in the principal business of providing loans. Therefore, the provisions of paragraph 3(iii) (e) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;
  - f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;
- iv) The Company has not given any loans, provided any guarantees, and given any security to which the provisions of sections 185 and 186 of the Companies Act, 2013 are applicable. The Company has made investments complying section 186 of the Companies Act, 2013;
  - v) The Company has not accepted any Deposits or amounts which are deemed to be deposits from the public. Therefore the Directives issued by the Reserve Bank Of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable to the Company. The Company has not received any order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard;
  - vi) Being a Non-Banking Finance Company, maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013;
  - vii)
    - a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities wherever applicable to it. There are no arrears of statutory dues as at the last day of the financial year concerned for a period of more than six months from the date on which they became payable;
    - b) There are no statutory dues of Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service tax, Goods and Service Tax or duty of customs or duty of excise or value added tax, cess which have not been deposited on account of any dispute;
  - viii) There are no transactions which were not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
  - ix)
    - (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
    - (b) The Company isn't a declared willful defaulter by any bank or financial institution or other lender;
    - (c) Term loans have been applied for the purpose for which the loans were obtained;

- (d) The company has not utilized the funds raised on short term basis for long term purposes;
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- x)
  - a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year;
  - b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year;
- xi)
  - (a) Any fraud by the Company or any fraud on the company has not been noticed or reported during the course of our audit;
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
  - (c) The company has not received any whistle-blower complaints during the year;
- xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;
- xiii) All transactions with the related parties are in compliance with the sections 177 and 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements of the Company as required by the applicable accounting standards;
- xiv)
  - (a) The Company has an internal audit system commensurate with the size and nature of its business;
  - (b) The reports of the internal auditors for the period under audit were considered by us;
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with them;
- xvi)
  - (a) The Company has obtained the required registration under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);
  - (b) The Company has conducted Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
  - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - (d) There are no CICs as part of the Group to which the company belongs

- xvii) The company has not incurred any cash losses in the financial year and in the immediately preceding financial year;
- xviii) There has not been any resignation of the statutory auditors during the year;
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xx) a) In respect of other than ongoing projects, the company does not have any unspent amount to be transferred to the Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to Section 135(5) of said Act;
- b) In respect of ongoing projects, the company does not have any unspent amount under sub-section (5) of section 135 of the Companies Act, 2013, to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;
- xxi) The Company is not a holding or subsidiary of any other company. Accordingly, paragraph 3(xxii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company;

**For Mohandas & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No: 002116S

**Mohandas A**  
**[Partner]**  
**Membership No: 036726**  
**UDIN:**

Place: Thrissur  
Date : 30<sup>th</sup> June, 2023

Annexure “B” to the Independent Auditors’ Report of Muthoot Mercantile Limited for the year ended 31<sup>st</sup> March, 2023

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

We have audited the internal financial controls over financial reporting of **Muthoot Mercantile Limited** (“the Company”) as of 31<sup>st</sup> March, 2023 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note issued by the ICAI.

**For Mohandas & Associates.**  
**Chartered Accountants**  
ICAI Firm Registration Number: 002116S

Place: Thrissur  
Date: 30<sup>th</sup> June, 2023

**Mohandas A**  
**[Partner]**  
Membership No: 036726  
UDIN:

**MUTHOOT MERCANTILE LTD****Cash flow statement for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)*

	31-Mar-23	31-Mar-22
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>24,68,011.96</b>	<b>22,97,448.27</b>
Adjustments:		
Depreciation and amortization	2,03,609.58	1,58,167.90
Provision for employee benefits	16,737.91	(6,391.42)
Provision for Standard Assets	42,178.12	13,281.37
Provision for Non- performing assets	68,484.02	6,377.71
Gain on sale of Mutual Fund	(3,412.31)	(2,094.03)
Profit on sale of Property, Plant & Equipment	-	(3,750.64)
<b>Operating profit before working capital changes</b>	<b>27,95,609.29</b>	<b>24,63,039.15</b>
Movements in working capital :		
Increase / (decrease) in other long term liabilities	6,45,320.67	5,75,413.64
Increase/ (decrease) in other current liabilities & trade payables	83,291.92	1,70,695.72
Increase / (decrease) in CSR provision	-	(14,538.59)
Decrease / (increase) in long-term loans and advances	(5,407.24)	(1,06,264.99)
Decrease / (increase) in short-term loans and advances	(1,68,90,495.12)	(53,85,154.01)
Decrease / (increase) in other current assets	(7,07,225.85)	(3,78,007.58)
Decrease / (increase) bank balances other than cash equivalents	(8,25,385.53)	(476.70)
Decrease / (increase) long-term borrowings(net)	97,42,756.64	87,98,662.34
Decrease / (increase) short-term borrowings(net)	61,33,876.15	(9,47,604.65)
Decrease / (increase) in other non-current assets	(25,691.70)	(77,760.19)
Cash generated from / (used in) operations	<b>9,46,649.21</b>	<b>50,98,004.14</b>
Direct taxes paid	(6,14,094.31)	(5,00,306.96)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>3,32,554.90</b>	<b>45,97,697.18</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant & Equipment & Intangible Asset, including CWIP and capital advances	(3,48,579.35)	(2,40,831.72)
Disposal of Property, Plant & Equipment	-	4,498.30
Investment in Mutual Fund	(9,00,000.00)	(21,99,890.01)
Redemption of Mutual Fund	20,05,396.35	11,00,000.00
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>7,56,817.00</b>	<b>(13,36,223.42)</b>
<b>Cash flows from financing activities</b>		
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>10,89,371.90</b>	<b>32,61,473.76</b>
Cash and cash equivalents at the beginning of the year	34,64,292.32	2,02,818.55
<b>Cash and cash equivalents at the end of the year</b>	<b>45,53,664.21</b>	<b>34,64,292.32</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	4,82,046.46	6,60,983.93
Balance with banks	40,71,617.75	28,03,308.38
Others	-	-
<b>Total cash and cash equivalents (note 14)</b>	<b>45,53,664.21</b>	<b>34,64,292.32</b>

As per our report of even date attached

**For Mohandas & Associates****Chartered Accountant**

ICAI Firm Registration Number: 002116S

**Mohandas A**

[Partner]

Membership No.: 036726

Place: Thrissur

Date: 30th June 2023

**For and on behalf of the board of directors of****Muthoot Mercantile Limited****M Mathew**

[Wholetime Director]

DIN 00063078

**M R Rajeev**

[Chief Financial Officer]

Place: Thiruvananthapuram

Date: 30th June 2023

**Richi Mathew**

[Managing Director]

DIN 00224336

**Neethu C Biju**

[Company Secretary]

**MUTHOOT MERCANTILE LIMITED**  
**Balance Sheet as at 31<sup>st</sup> March , 2023**

( All amounts are in Hundreds of Indian rupees, unless other wise stated)

	Note	31-Mar-23	31-Mar-22
<b>Shareholders' funds</b>			
Share capital	3	29,41,875.00	29,41,875.00
Reserves and surplus	4	1,06,14,459.62	87,95,436.64
		<b>1,35,56,334.62</b>	<b>1,17,37,311.64</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	3,33,30,218.98	2,35,87,462.34
Other long term liabilities	6	18,54,440.25	12,09,119.58
Long-term provisions	9	86,463.16	73,607.87
		<b>3,52,71,122.39</b>	<b>2,48,70,189.79</b>
<b>Current liabilities</b>			
Short-term borrowings	7	1,03,98,195.68	42,64,319.53
Trade payables	8		
(A) total outstanding dues of micro enterprises and small enterprises; and		8,487.55	17,195.15
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		17,452.10	55,353.48
Other current liabilities	6	4,87,323.77	3,57,422.87
Short-term provisions	9	9,11,639.38	7,33,946.34
		<b>1,18,23,098.47</b>	<b>54,28,237.37</b>
<b>Total</b>		<b>6,06,50,555.48</b>	<b>4,20,35,738.79</b>

**Assets**

**Non-current assets**

Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment	10A	5,79,419.24	4,23,980.13
Intangible assets	10B	872.00	-
Deferred tax assets (net)	11	1,54,253.71	1,26,000.10
Long-term loans and advances	12	6,49,969.81	6,55,903.90
Other non current assets	15	4,89,307.46	4,63,615.76
		<b>18,73,822.23</b>	<b>16,69,499.90</b>

**Current assets**

Investments	13	-	11,01,984.04
Cash and bank balances	14	53,94,256.06	34,79,498.64
Short-term loans and advances	12	5,07,50,361.49	3,38,59,866.36
Other current assets	15	26,32,115.71	19,24,889.85
		<b>5,87,76,733.26</b>	<b>4,03,66,238.90</b>
<b>Total</b>		<b>6,06,50,555.48</b>	<b>4,20,35,738.79</b>

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
**For Mohandas & Associates**  
**Chartered Accountant**  
ICAI Firm Registration Number: 002116S

**Mohandas A**  
[Partner]  
Membership No.: 036726

Place: Thrissur  
Date: 30th June 2023

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

**M Mathew**  
[Wholtime Director]  
DIN 00063078

**M R Rajeev**  
[Chief Financial Officer]  
Place: Thiruvananthapuram  
Date: 30th June 2023

**Richi Mathew**  
[Managing Director]  
DIN 00224336

**Neethu C Biju**  
[Company Secretary]

**MUTHOOT MERCANTILE LIMITED****Statement of profit and loss for the year ended 31st March, 2023***(All amounts are in Hundreds of Indian rupees, unless other wise stated)*

<b>Continuing Operations</b>	<b>Notes</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Revenue from operation	16	94,30,973.69	66,73,825.97
Other income	17	35,858.98	28,558.64
<b>Total Income</b>		<b>94,66,832.67</b>	<b>67,02,384.61</b>
<b>Expenses</b>			
Finance costs	18	32,71,943.17	22,07,477.43
Employee benefits expense	19	20,28,004.87	11,13,659.56
Other expenses	20	14,95,263.09	9,25,631.46
Depreciation and amortization expense	21	2,03,609.58	1,58,167.90
<b>Total Expenses</b>		<b>69,98,820.71</b>	<b>44,04,936.34</b>
<b>Profit before tax</b>		<b>24,68,011.96</b>	<b>22,97,448.27</b>
<b>Tax expenses</b>			
Current tax		6,77,275.21	6,14,126.93
(Excess)/Short provision for tax relating to previous year		(32.62)	-
Deferred tax expense/(income)		(28,253.61)	(19,101.14)
<b>Total tax expense</b>		<b>6,48,988.98</b>	<b>5,95,025.79</b>
<b>Profit for the year</b>		<b>18,19,022.99</b>	<b>17,02,422.48</b>

Earnings per equity share [nominal value of share ₹10/-]

Basic and Diluted Earnings per Share (₹)	22	6.18	5.79
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Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
**For Mohandas & Associates**  
**Chartered Accountant**  
ICAI Firm Registration Number: 002116S

**Mohandas A**  
[Partner]  
Membership No.: 036726

Place: Thrissur  
Date: 30th June 2023

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

<b>M Mathew</b> [Wholetime Director] DIN 00063078	<b>Richi Mathew</b> [Managing Director] DIN 00224336
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<b>M R Rajeev</b> [Chief Financial Officer] Place: Thiruvananthapuram	<b>Neethu C Biju</b> [Company Secretary]
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Date: 30th June 2023

## **MUTHOOT MERCANTILE LIMITED**

### **Notes to the financial statements for the year ended 31-March-23**

#### **1 NATURE OF OPERATION**

Muthoot Mercantile Limited(CIN:U65921KL1997PLC011260) was incorporated on 3<sup>rd</sup> March 1997, having registered office at 1<sup>st</sup> Floor, North Block, "Muthoot Floors", opposite W & C Hospital, Thycaud, Thiruvananthapuram, 695014, Kerala .The Company is a Non-Systemically Important Non-Deposit Taking Non-Banking Financial Company (NBFC-ND) which provides a wide range of fund based and fee based services including Gold loan, Money Transfer etc.The Company is a Non-Deposit taking Non Banking Financial Company registered under section 45 IA of the Reserve Bank of India Act,1934 vide Certificate of Registration ('CoR') number N-16.00178 dated 12th December, 2002

#### **2 BASIS OF PREPARATION**

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India(Indian GAAP).The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act,2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the guidelines issued by the Reserve Bank of India as applicable to a Non-Systemically Important Non-Deposit Taking Non-Banking Financial Company (NBFC-ND). The financial statements have been prepared under historical cost convention and on accrual basis except for interest on Non Performing Assets which are recognised on realisation basis.The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

#### **2.1 SIGNIFICANT ACCOUNTING POLICIES**

*Significant Accounting Policies adopted in the Preparation and Presentation of Financial Statements are as under:-*

##### **a. USE OF ESTIMATES**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

##### **b. PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any.The cost comprises purchase price, borrowing costs if capitalisation criteria are met and any cost directly attributable to bring the asset to its working condition for its intended use.

##### **c. INTANGIBLE ASSETS**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

Intangible assets are amortized on a straight line basis over the estimated useful economic life of 5 years as determined by the management. The amortization period and the amortization method are reviewed at least at each financial year end.

**d. DEPRECIATION**

Depreciation has been provided on Written Down Value method as per the useful life estimated by the management. The estimates of useful life followed by the company is provided as under:

<b>Assets</b>	<b>Life of Assets (Years)</b>
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
Computer & Accessories	3 (End user devices)
	6 (Servers and networks)
Office & Electrical Equipments	20 (acquired up to 31-03-15)*
	10 (Others)

\*Based on the estimation given by the chartered engineer

**e. IMPAIRMENT OF ASSETS**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**f. REVENUES**

Revenues are recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest, where installments are overdue in respect of non performing assets are recognised on realisation basis. Any such income recognised and remaining unrealised after the installments become overdue with respect to non performing assets is reversed. Interest on deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**g. EMPLOYEE BENEFITS**

Employee benefits in the form of Provident Fund and Employee State Insurance is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the fund is due. Gratuity payable under "The Payment of Gratuity Act, 1972" is accrued and provided for on the basis of an actuarial valuation on Projected unit credit method with control period of one year. The Company does not have a scheme of encashment of earned leave. The Earned leave which is not utilized during the year will be automatically lapsed at the end of the year and can not be carried forward. Hence no provision has been made in the accounts for encashment of leave and carried forward of earned leave.

## MUTHOOT MERCANTILE LIMITED

### Notes to the financial statements for the year ended 31-March-23

#### h. BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset which takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they incur.

#### i. INCOME TAX

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company write-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### j. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing share holders; share split; and reverse share split, if any.

#### k. PROVISIONS

i) A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

ii) Provisioning policy for gold loan and other portfolio loans

Secured loans are classified / provided for as per management's best estimates, subject to minimum provision required as per Non Banking Financial Company-Non Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as follows

##### Gold and other loans

<u>Asset Classification</u>	<u>Provisioning policy</u>
Standard Assets	0.25%
Sub-standard Assets	10% on Outstanding
Doubtful Assets	
D1	100% of unsecured portion + 20 % of secured portion
D2	100% of unsecured portion + 30 % of secured portion
D3	100% of unsecured portion + 50 % of secured portion
Loss Assets	100%

The Company has also provided additional provisions based on management estimates wherever necessary.

#### l. SEGMENT REPORTING

The Company primarily operates in the business of gold loan and its operations are in India. Accordingly no segment reporting is applicable.

## **MUTHOOT MERCANTILE LIMITED**

### **Notes to the financial statements for the year ended 31-March-23**

#### **m. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents in the balance sheet comprise cash in hand ,cash at bank and deposits having original maturity of three months or less

#### **n. CONTINGENT LIABILITIES**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events which is beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.The Company does not recognise a contingent liability but discloses its existence in the financial statements.

#### **o. LEASES**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership for the leased term, are classified as operating leases. Operating lease payments in respect of non-cancellable leases are recognised as an expense in the statement of profit and loss.

#### **p. CASH FLOW STATEMENTS**

Cash flows are reported using the indirect method,whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past / future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

#### **q. INVESTMENTS**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Quoted current investments for each category is valued at cost or market value whichever is lower. Long-term investments are carried at cost. Provision for diminution shall be made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

#### **r. FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

(All amounts are in Hundreds of Indian rupees, unless other wise stated)

**Note 3****Share capital**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>Authorized shares</b>		
5,50,00,000 (Previous Year: 5,50,00,000) equity shares of ₹10/- each	55,00,000.00	55,00,000.00
<b>Issued, subscribed and fully paid-up shares</b>		
2,94,18,750 (Previous Year: 2,94,18,750) equity shares of ₹10/- each	29,41,875.00	29,41,875.00
<b>Total</b>	<b>29,41,875.00</b>	<b>29,41,875.00</b>

**a.Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	31-Mar-23		31-Mar-22	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	2,94,18,750	29,41,875.00	2,94,18,750	29,41,875.00
Shares issued during the year	-	-	-	-
Shares bought back	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>2,94,18,750</b>	<b>29,41,875.00</b>	<b>2,94,18,750</b>	<b>29,41,875.00</b>

**b.Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of ₹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.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

(All amounts are in Hundreds of Indian rupees, unless otherwise stated)

**Note 3 (Contd.)****Share capital**

c. Aggregate number and class of shares bought back for the period of five years immediately preceding the date as at which the Balance Sheet is prepared :

Class of Shares	No of Shares	Financial Year
Equity Shares	98,06,250	2018-19

d. Details of shareholders holding more than 5% shares in the Company (Equity shares of ₹10/- each fully paid)

Name of the Shareholder	31-Mar-23		31-Mar-22	
	Number	% of holding in the class	Number	% of holding in the class
M. Mathew	1,05,50,642	35.86%	1,43,67,300	48.84%
Richi Mathew	1,05,07,198	35.72%	1,05,07,198	35.72%
Reena Varghese	65,01,545	22.10%	44,49,681	15.13%
Asha Richi Mathew	17,65,125	6.00%	331	0.001%

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 31-March-23**

(All amounts are in Hundreds of Indian rupees, unless otherwise stated)

**(e) Shareholding of Promoters****31st March, 2023**

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
M. Mathew	1,05,50,642	35.86%	-26.56%
Ammini Mathew	93,899	0.31%	NIL
Reena Varghese	65,01,545	22.10%	46.11%
Richi Mathew	1,05,07,198	35.72%	NIL
Asha Richi Mathew	17,65,125	6.00%	533170%
<b>Total</b>	<b>2,94,18,409</b>	<b>99.99%</b>	<b>NIL</b>

**31st March, 2022**

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
M. Mathew	1,43,67,300	48.84%	NIL
Ammini Mathew	93,899	0.31%	NIL
Reena Varghese	44,49,681	15.13%	NIL
Richi Mathew	1,05,07,198	35.72%	NIL
<b>Total</b>	<b>2,94,18,078</b>	<b>99.99%</b>	<b>NIL</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

( All amounts are in Hundreds of Indian rupees, unless other wise stated)

**Note 4****Reserves and surplus**

	<u>31-Mar-23</u>	<u>31-Mar-22</u>
<b>Capital redemption reserve</b>		
Balance as per the last financial statement	22,80,625.00	22,80,625.00
<b>Total (A)</b>	<u><b>22,80,625.00</b></u>	<u><b>22,80,625.00</b></u>
<b>Statutory reserve</b>		
Balance as per the last financial statement	25,11,865.00	21,68,865.00
Amount transferred from surplus balance in the statement of profit and loss pursuant to section 45-IC of the Reserve Bank of India Act, 1934	3,66,000.00	3,43,000.00
<b>Total (B)</b>	<u><b>28,77,865.00</b></u>	<u><b>25,11,865.00</b></u>
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statement	40,02,946.64	26,43,524.16
Profit for the year	18,19,022.99	17,02,422.48
	<u><b>58,21,969.62</b></u>	<u><b>43,45,946.64</b></u>
<b>Less: Appropriations</b>		
Transfer to statutory reserve pursuant to section 45-IC of the Reserve Bank of India Act, 1934	3,66,000.00	3,43,000.00
<b>Total (C)</b>	<u><b>54,55,969.62</b></u>	<u><b>40,02,946.64</b></u>
<b>Total (A)+(B)+(C)</b>	<u><u><b>1,06,14,459.62</b></u></u>	<u><u><b>87,95,436.64</b></u></u>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 5****Long-term borrowings**

	Non-current portion		Current maturities	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Non-convertible Debentures*	47,91,670.00	37,46,000.00	3,38,780.00	7,36,580.00
Subordinate Debts**	1,96,79,670.00	1,50,62,540.00	4,43,880.00	-
Perpetual Debt Instrument***	3,00,000.00	3,00,000.00	-	-
Term Loan				
State Bank of India****	81,83,878.98	44,78,922.34	29,05,000.00	10,40,000.00
Federal Bank*****	3,75,000.00	-	7,50,000.00	-
	<b>3,33,30,218.98</b>	<b>2,35,87,462.34</b>	<b>44,37,660.00</b>	<b>17,76,580.00</b>
<b>The above amount includes</b>				
Secured borrowings	1,33,50,548.98	82,24,922.34	39,93,780.00	17,76,580.00
Unsecured borrowings	1,99,79,670.00	1,53,62,540.00	4,43,880.00	-
Amount disclosed under the head "Short-term borrowings" (Note 7)	-	-	(44,37,660.00)	(17,76,580.00)
<b>Total</b>	<b>3,33,30,218.98</b>	<b>2,35,87,462.34</b>	<b>-</b>	<b>-</b>

\*Secured by a hypothecation of Outstanding Gold Loan of the Company both present and future ranking pari passu with the charge created by the company for availing credit facility.

\*Include ₹ 22,25,000/- (Previous Year: ₹ 17,15,000/-) from related parties which are detailed in Note 23 "Related party Transactions" of the financial statements

\*\*Include ₹ 1,78,40,000/- (Previous Year: ₹ 1,46,56,000/-) from related parties which are detailed in Note 23 "Related party Transactions" of the financial statements

## **MUTHOOT MERCANTILE LIMITED**

### **Notes to the financial statements for the year ended 31-March-23**

*( All amounts are in Hundreds of Indian rupees, unless other wise stated)*

\*\*\* Amount of funds raised through Perpetual Debt Instrument during the year is rupees three crores and outstanding at the close of the financial year is rupees three crores. The amount of Perpetual Debt Instrument comes to 2.19 % (previous year : 2.52% )of current year Tier I Capital of the Company. The rate of Interest of Perpetual Debt Instrument is 12 %.The Instrument is purely unsecured and maturity is perpetual.

\*\*\*Include ₹ 3,00,00,000/- (Previous Year: ₹ 3,00,00,000/- ) from related parties which are detailed in Note 23 "Related party Transactions" of the financial statements

\*\*\*\*Secured by exclusive 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 and by equitable mortgage of the personal land and building of Mr.M Mathew & Mrs.Ammi Mathew, directors of the company as collateral security. The loan has been personally guaranteed by Mr.M Mathew, Ammini Mathew & Mr.Richi Mathew. Rate of interest is 255 bps above six month MCLR( effective rate of interest is 9.50% per annum).Tenure of term loan is ranging from 3 years to 5 years.

\*\*\*\*\* Secured by first pari-passu by way of hypothecation of entire current assets of the company (present and future) including Gold Loan Receivables,with secured debenture holders and other banks as primary security and Fixed deposit of Rs 3 Crore in the name of the company as cash collateral security.The loan has been personally guaranteed by Mr.M Mathew, Ammini Mathew & Mr.Richi Mathew.The rate of interest is 10.60 %. Tenure of term loan is 2 years.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 5 (contd.)****A. Debentures (Secured)**

i) Non Convertible Debentures of ₹1,000/- each -Details of rate of interest and maturity pattern as on the date of the balance sheet is as under:

**31st March, 2023**

Redeemable at par within	Rate of Interest							
	< 13%		≥ 13% < 14%		≥ 14%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 3-4 years	1,26,225	12,62,250.00	40,410	4,04,100.00	7,975	79,750.00	1,74,610	17,46,100.00
Due within 2-3 years	1,69,264	16,92,640.00		-	-	-	1,69,264	16,92,640.00
Due within 1-2 years	1,35,293	13,52,930.00		-	-	-	1,35,293	13,52,930.00
Due within 1 year	33,878	3,38,780.00	-	-	-	-	33,878	3,38,780.00
<b>Total ₹</b>	<b>4,64,660</b>	<b>46,46,600.00</b>	<b>40,410</b>	<b>4,04,100.00</b>	<b>7,975</b>	<b>79,750.00</b>	<b>5,13,045</b>	<b>51,30,450.00</b>

**31st March, 2022**

Redeemable at par within	Rate of Interest							
	< 13%		≥ 13% < 14%		≥ 14%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 3-4 years	1,69,659	16,96,590.00	40,910	4,09,100.00	9,025	90,250.00	2,19,594	21,95,940.00
Due within 2-3 years	1,18,058	11,80,580.00	-	-	-	-	1,18,058	11,80,580.00
Due within 1-2 years	36,948	3,69,480.00	-	-	-	-	36,948	3,69,480.00
Due within 1 year	73,658	7,36,580.00	-	-	-	-	73,658	7,36,580.00
<b>Total ₹</b>	<b>3,98,323</b>	<b>39,83,230.00</b>	<b>40,910</b>	<b>4,09,100.00</b>	<b>9,025</b>	<b>90,250.00</b>	<b>4,48,258</b>	<b>44,82,580.00</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 5 (contd.)**

ii]Non Convertible Debentures of ₹1,000/- each - Serieswise Classification

**As at 31<sup>st</sup> March, 2023**

Sl No	Series	Date of Issue	From Debenture O/s	Rate of Interest	Terms of Redemption
1	139	14-Sep-12	1,050.00	14.75%	At par at the end 60 months
2	143	22-Dec-12	250.00	11%-12%	At par at the end 64 months
3	146	26-Dec-12	70.00	10%-11.25%	At par at the end 36 months
4	174	15-Jan-20	56,000.00	9.25%-15.35%	At par at the end 36-60 months
5	175	10-Feb-20	2,27,650.00	9%-14.85%	At par at the end 36-90 months
6	176	22-Feb-20	1,75,900.00	9.25%-20%	At par at the end 36-90 months
7	177	23-Mar-20	1,68,500.00	9.25%-14.75%	At par at the end 36-84 months
8	178	22-May-20	1,86,300.00	9%-14.29%	At par at the end 24-84 months
9	179	03-Jul-20	3,67,740.00	10%-13.33%	At par at the end 60-90 months
10	180	12-Oct-20	2,16,020.00	9%-12.50%	At par at the end 36-96 months
11	181	19-Nov-20	5,20,010.00	9.25%-13.33%	At par at the end 36-90 months
12	182	07-Jan-21	2,26,500.00	9.25%-13.33%	At par at the end 36-90 months
13	183	29-Jun-21	3,02,130.00	8%-13.79%	At par at the end 12-87 months
14	184	11-Sep-21	2,22,000.00	9.25%-13.79%	At par at the end 36-87 months
15	185	30-Nov-21	4,45,000.00	9.25%-13.79%	At par at the end 36-87 months
16	186	05-Feb-22	2,14,000.00	7.25%-10.12%	At par at the end 12-60 months
17	187	12-Mar-22	1,41,300.00	7.25%-9.6%	At par at the end 12-60 months
18	188	30-Mar-22	1,45,450.00	7.25%-9.6%	At par at the end 12-60 months
19	189	31-May-22	2,68,050.00	7.25%-9.75%	At par at the end 12-60 months
20	190	08-Aug-22	4,32,400.00	9%-11%	At par at the end 36-60 months
21	191	05-Sep-22	3,85,000.00	9%-11%	At par at the end 36-60 months
22	192	13-Jan-23	1,00,000.00	10.5%	At par at the end 60 months
23	193	18-Mar-23	2,48,000.00	9.25%-11.75%	At par at the end 18-60 months
24	194	30-Mar-23	1,20,000.00	9.25%-11.75%	At par at the end 18-60 months
			<b>51,69,320.00</b>		

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***As at 31<sup>st</sup> March, 2022**

Sl No	Series	Date of Issue	From Debenture O/s	Rate of Interest	Terms of Redemption
1	122	18-Aug-11	400.00	15.35%	At par at the end 36 months
2	126	19-Nov-11	1,000.00	14.85%	At par at the end 36 months
3	139	14-Sep-12	1,050.00	14.75%	At par at the end 60 months
4	143	22-Dec-12	250.00	11%-12%	At par at the end 64 months
5	146	26-Dec-12	70.00	10%-11.25%	At par at the end 36 months
6	172	29-Mar-19	6,500.00	9.25%-14.3%	At par at the end 36 months
7	173	15-Jul-19	2,92,000.00	9.25%-18.75%	At par at the end 36 months
8	174	15-Jan-20	75,670.00	9.25%-15.35%	At par at the end 36-60 months
9	175	10-Feb-20	3,02,700.00	9%-14.85%	At par at the end 36-90 months
10	176	22-Feb-20	2,58,100.00	9.25%-20%	At par at the end 36-90 months
11	177	23-Mar-20	2,09,800.00	9.75%-14.75%	At par at the end 36-84 months
12	178	22-May-20	2,58,300.00	9%-14.29%	At par at the end 24-84 months
13	179	3-Jul-20	4,01,740.00	10%-13.33%	At par at the end 60-90 months
14	180	12-Oct-20	2,29,020.00	9%-12.50%	At par at the end 36-96 months
15	181	19-Nov-20	5,20,010.00	9.25%-13.33%	At par at the end 36-90 months
16	182	07-Jan-21	2,79,500.00	9.25%-13.33%	At par at the end 36-90 months
17	183	29-Jun-21	3,22,130.00	8%-13.79%	At par at the end 12-87 months
18	184	11-Sep-21	2,22,000.00	9.25%-13.79%	At par at the end 36-87 months
19	185	30-Nov-21	4,80,500.00	9.25%-13.79%	At par at the end 36-87 months
20	186	05-Feb-22	3,00,000.00	7.25%-10.12%	At par at the end 12-60 months
21	187	12-Mar-22	1,85,660.00	7.25%-9.6%	At par at the end 12-60 months
22	188	30-Mar-22	1,45,450.00	7.25%-9.6%	At par at the end 12-60 months
<b>Total</b>			<b>44,91,850.00</b>		

**MUTHOOT MERCANTILE  
LIMITED**

**Notes to the financial statements for the year ended 31-March-23**

(All amounts are in Hundreds of Indian rupees, unless other wise stated)

**Note 5 (contd.)**

**B. Subordinate Debts (Unsecured)**

i) Subordinate Debts of ₹1,000/- each -Details of rate of interest and maturity pattern as on the date of the balance sheet is as under:

**31st March, 2023**

Redeemable at par within	Rate of Interest							
	<10%		≥ 10% < 11%		≥11%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 4-5 years	80,494	8,04,940.00	2,30,699	23,06,990.00	1,94,908	19,49,080.00	5,06,101	50,61,010.00
Due within 3-4 years	61,770	6,17,700.00	2,38,717	23,87,170.00	51,171	5,11,710.00	3,51,658	35,16,580.00
Due within 2-3 years	2,08,222	20,82,220.00	3,22,292	32,22,920.00	95,205	9,52,050.00	6,25,719	62,57,190.00
Due within 1-2 years	48,805	4,88,050.00	2,35,348	23,53,480.00	2,00,336	20,03,360.00	4,84,489	48,44,890.00
Due within 1 year	16,825	1,68,250.00	-	-	27,563	2,75,630.00	44,388	4,43,880
<b>Total ₹</b>	<b>4,16,116</b>	<b>41,61,160.00</b>	<b>10,27,056</b>	<b>1,02,70,560.00</b>	<b>5,69,183</b>	<b>56,91,830.00</b>	<b>20,12,355</b>	<b>2,01,23,550.00</b>

**31st March, 2022**

Redeemable at par within	Rate of Interest							
	<10%		≥ 10% < 11%		≥11%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 4-5 years	61,770	6,17,700.00	2,38,717	23,87,170.00	51,171	5,11,710.00	3,51,658	35,16,580.00
Due within 3-4 years	2,08,222	20,82,220.00	3,22,292	32,22,920.00	95,205	9,52,050.00	6,25,719	62,57,190.00
Due within 2-3 years	48,805	4,88,050.00	2,35,348	23,53,480.00	2,00,336	20,03,360.00	4,84,489	48,44,890.00
Due within 1-2 years	16,825	1,68,250.00	-	-	27,563	2,75,630.00	44,388	4,43,880
Due within 1 year	-	-	-	-	-	-	-	-
<b>Total ₹</b>	<b>3,35,622</b>	<b>33,56,220.00</b>	<b>7,96,357</b>	<b>79,63,570.00</b>	<b>3,74,275</b>	<b>37,42,750.00</b>	<b>15,06,254</b>	<b>1,50,62,540.00</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 5 (contd.)**

ii] Subordinate Debts of ₹1,000/- each - Serieswise Classification

**As at 31<sup>st</sup> March, 2023**

<b>Sl No</b>	<b>Month of Receipt</b>	<b>From Subordinate Debts O/s</b>	<b>Rate of Interest</b>	<b>Terms of Redemption</b>
1	February 2019	1,58,610.00	9.5%-11.81%	At par at the end 60 months
2	March 2019	2,85,270.00	9.5%-11.81%	At par at the end 60 months
3	April 2019	3,61,660.00	9.5%-11.81%	At par at the end 60 months
4	July 2019	3,23,620.00	9.5%-11.81%	At par at the end 60 months
5	August 2019	2,62,490.00	9.5%-11.81%	At par at the end 60 months
6	September 2019	5,78,520.00	10%-11.85%	At par at the end 60 months
7	October 2019	5,28,980.00	10%-11.85%	At par at the end 60 months
8	November 2019	7,10,140.00	10%-11.29%	At par at the end 60 months
9	December 2019	7,14,710.00	10%-11.29%	At par at the end 60 months
10	January 2020	6,32,340.00	10%-11.29%	At par at the end 60 months
11	February 2020	4,44,930.00	10%-11.29%	At par at the end 60 months
12	March 2020	2,87,500.00	10%-11.29%	At par at the end 60 months
13	April 2020	3,19,410.00	10%-11.29%	At par at the end 60 months
14	May 2020	5,98,000.00	10%-11.29%	At par at the end 60 months
15	June 2020	3,53,650.00	9.75%-10.97%	At par at the end 60 months
16	July 2020	3,31,710.00	9.75%-10.97%	At par at the end 60 months
17	August 2020	7,71,370.00	9%-10.97%	At par at the end 60 months
18	September 2020	3,18,300.00	9%-9.75%	At par at the end 60 months
19	October 2020	3,30,530.00	9.25%-10%	At par at the end 60 months
20	November 2020	7,30,930.00	9.85%-10.5%	At par at the end 60 months
21	December 2020	3,11,040.00	9.85%-10.5%	At par at the end 60 months
22	January 2021	9,85,500.00	10.25%-11%	At par at the end 60 months
23	February 2021	8,14,010.00	10.25%-11%	At par at the end 60 months
24	March 2021	3,92,740.00	9.20%-11%	At par at the end 60 months
25	April 2021	3,41,610.00	10.25%-11%	At par at the end 60 months
26	May 2021	2,76,960.00	10%-11%	At par at the end 60 months
27	June 2021	2,90,670.00	10%-11%	At par at the end 60 months
28	July 2021	3,19,210.00	10%-11%	At par at the end 60 months
29	August 2021	2,95,490.00	10%-11%	At par at the end 60 months
30	September 2021	4,71,590.00	10%-11%	At par at the end 60 months
31	October 2021	3,93,010.00	10%-11%	At par at the end 60 months
32	November 2021	3,63,260.00	9%-11%	At par at the end 60 months
33	December 2021	3,48,940.00	9% - 10%	At par at the end 60 months
34	January 2022	3,21,990.00	9% - 10%	At par at the end 60 months
35	February 2022	79,050.00	8%-9%	At par at the end 60 months
36	March 2022	14,800.00	8%-9%	At par at the end 60 months
37	July 2022	4,66,480.00	9.5 %-11%	At par at the end 60 months
38	August 2022	7,27,430.00	9.5 %-11%	At par at the end 60 months
39	September 2022	3,53,430.00	9.5%-12%	At par at the end 60 months
40	October 2022	7,68,380.00	10%-12%	At par at the end 60 months
41	November 2022	8,78,890.00	10.25%-12%	At par at the end 60 months
42	December 2022	6,27,000.00	10.25%-12%	At par at the end 60 months
43	January 2023	3,78,820.00	10.25%-12%	At par at the end 60 months
44	February 2023	4,80,250.00	10.5 %-12 %	At par at the end 60 months
45	March 2023	3,80,330.00	10.5 %-12 %	At par at the end 60 months
<b>Total</b>		<b>2,01,23,550.00</b>		

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***As at 31st March, 2022**

<b>Sl No</b>	<b>Month of Receipt</b>	<b>From Subordinate Debts O/s</b>	<b>Rate of Interest</b>	<b>Terms of Redemption</b>
1	February 2019	1,58,610.00	9.5%-11.81%	At par at the end 60 months
2	March 2019	2,85,270.00	9.5%-11.81%	At par at the end 60 months
3	April 2019	3,61,660.00	9.5%-11.81%	At par at the end 60 months
4	July 2019	3,23,620.00	9.5%-11.81%	At par at the end 60 months
5	August 2019	2,62,490.00	9.5%-11.81%	At par at the end 60 months
6	September 2019	5,78,520.00	10%-11.85%	At par at the end 60 months
7	October 2019	5,28,980.00	10%-11.85%	At par at the end 60 months
8	November 2019	7,10,140.00	10%-11.29%	At par at the end 60 months
9	December 2019	7,14,710.00	10%-11.29%	At par at the end 60 months
10	January 2020	6,32,340.00	10%-11.29%	At par at the end 60 months
11	February 2020	4,44,930.00	10%-11.29%	At par at the end 60 months
12	March 2020	2,87,500.00	10%-11.29%	At par at the end 60 months
13	April 2020	3,19,410.00	10%-11.29%	At par at the end 60 months
14	May 2020	5,98,000.00	10%-11.29%	At par at the end 60 months
15	June 2020	3,53,650.00	9.75%-10.97%	At par at the end 60 months
16	July 2020	3,31,710.00	9.75%-10.97%	At par at the end 60 months
17	August 2020	7,71,370.00	9%-10.97%	At par at the end 60 months
18	September 2020	3,18,300.00	9%-9.75%	At par at the end 60 months
19	October 2020	3,30,530.00	9.25%-10%	At par at the end 60 months
20	November 2020	7,30,930.00	9.85%-10.5%	At par at the end 60 months
21	December 2020	3,11,040.00	9.85%-10.5%	At par at the end 60 months
22	January 2021	9,85,500.00	10.25%-11%	At par at the end 60 months
23	February 2021	8,14,010.00	10.25%-11%	At par at the end 60 months
24	March 2021	3,92,740.00	9.20%-11%	At par at the end 60 months
25	April 2021	3,41,610.00	10.25%-11%	At par at the end 60 months
26	May 2021	2,76,960.00	10%-11%	At par at the end 60 months
27	June 2021	2,90,670.00	10%-11%	At par at the end 60 months
28	July 2021	3,19,210.00	10%-11%	At par at the end 60 months
29	August 2021	2,95,490.00	10%-11%	At par at the end 60 months
30	September 2021	4,71,590.00	10%-11%	At par at the end 60 months
31	October 2021	3,93,010.00	10%-11%	At par at the end 60 months
32	November 2021	3,63,260.00	9%-11%	At par at the end 60 months
33	December 2021	3,48,940.00	9% - 10%	At par at the end 60 months
34	January 2022	3,21,990.00	9% - 10%	At par at the end 60 months
35	February 2022	79,050.00	8%-9%	At par at the end 60 months
36	March 2022	14,800.00	8%-9%	At par at the end 60 months
<b>Total</b>		<b>1,50,62,540.00</b>		

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

(All amounts are in Hundreds of Indian rupees, unless other wise stated)

**Note 5 (contd.)****C. Term Loan (Secured)**

Details of rate of interest and maturity pattern as on the date of the balance sheet is as under:

**31st March, 2023**

Repayable within	Rate of interest	Rate of interest
	9.50%	10.60%
Due within 4-5 years	2,00,000	-
Due within 3-4 years	11,20,000	-
Due within 2-3 years	34,50,000	-
Due within 1-2 years	34,00,000	3,75,000
Due within 1 year	29,05,000	7,50,000
<b>Total ₹</b>	<b>1,10,75,000</b>	<b>11,25,000</b>

This does not include exchange fluctuation of ₹11,07,880/-

**31st March, 2022**

Repayable within	Rate of interest
	9.50%
Due within 4-5 years	8,60,000
Due within 3-4 years	12,00,000
Due within 2-3 years	12,00,000
Due within 1-2 years	12,00,000
Due within 1 year	10,40,000
<b>Total ₹</b>	<b>55,00,000</b>

This does not include exchange fluctuation of ₹18,91,545/-

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 6****Other liabilities**

	<b>Non-current</b>		<b>Current</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Interest accrued but not due on debenture*	3,33,412.92	1,89,241.21	27,441.36	84,830.31
Interest accrued but not due on perpetual debt instrument **	-	-	-	8,100.00
Interest accrued but not due on subordinate debts***	15,21,027.33	10,19,878.37	1,28,030.48	-
Interest accrued and due on debenture	-	-	2,492.26	1,182.07
Interest accrued and due on perpetual debt instrument	-	-	-	-
Interest accrued and due on subordinate debts	-	-	33,291.30	26,054.57
Statutory dues payable	-	-	49,302.92	77,831.47
Employee related payables	-	-	1,44,878.87	1,40,190.70
Unpaid matured debentures and Interest accrued thereon****	-	-	43,520.19	13,272.12
Other Payables	-	-	58,366.38	5,961.63
<b>Total</b>	<b>18,54,440.25</b>	<b>12,09,119.58</b>	<b>4,87,323.77</b>	<b>3,57,422.87</b>

\*Include ₹ 5,86,294/- (Previous Year: ₹ 4,04,322/-) from related parties which are detailed in Note 23 "Related party Transactions" of the financial statements

\*\*Include ₹ Nil/- (Previous Year: ₹ 8,10,000/-) from related parties which are detailed in Note 23 "Related party Transactions" of the financial statements

\*\*\*Include ₹ 36,32,275.80/- in Non Current and ₹ 95,520/- in Current (Previous Year: ₹ 25,39,347/-) from related parties which are detailed in Note 23 "Related party Transactions" of the financial statements

\*\*\*\*Include ₹ Nil /- (Previous Year: ₹ 4,59,593) from related parties which are detailed in Note 23 "Related party Transactions" of the financial statements

**Disclosure relating to Investor Education and Protection Fund**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Liability towards Investor Education and Protection Fund towards unpaid dividends, and unpaid matured debentures and interest on matured debentures	99.56	2,031.83

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 7****Short-term borrowings**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<i>Secured Borrowings</i>		
Current maturities of long-term borrowings (Note 5)*	44,37,660.00	17,76,580.00
-Loan repayable on demand		
From Banks (Cash credit)		
State Bank of India**	40,87,695.28	24,43,861.18
Indian Overseas Bank***	7,865.66	7,978.90
Karur Vysya Bank****	312.37	35,899.45
Federal Bank*****	15,071.80	-
From Banks (Overdraft)		
Karur Vysya Bank****	14,49,590.56	-
Federal Bank*****	4,00,000.00	-
<b>Total</b>	<b>1,03,98,195.68</b>	<b>42,64,319.53</b>

\*Include ₹ 1,99,000/- (Previous Year: ₹3,00,000) from related parties which are detailed in Note 23 "Related party Transactions" of the financial statements

\*\*Secured by exclusive 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 bank and by equitable mortgage of the personal land and building of Mr.M Mathew & Mrs.Ammini Mathew, directors of the company and Term deposit of Rs 5 Crore secured by lien as cash collateral security. The loan has been personally guaranteed by Mr.M Mathew, Ammini Mathew & Mr.Richi Mathew. Rate of interest is 255 bps above six month MCLR(present effective rate of interest is 9.50% per annum). Cash credit limit is rupees fifty Crore.

\*\*\* Rate of interest is 6.60% per annum. Amount Sanctioned is rupees eight lakhs. Tenure of Cash Credit is for one year.

\*\*\*\* Secured by first pari-passu charge on the receivables of the company including the Gold loan receivables both present and future, and other current assets of the company with other secured lenders(Banks,FI's and NCD Holders except those which are specifically charged to any term lenders whether under refinance facility or otherwise(Net of NPA Accounts) with a margin of 25% as primary security and by equitable mortgage of personal land in the name of Mr. M Mathew & Mr. Richi Mathew, directors of the company as collateral security. The loan has been personally guaranteed by Mr.M Mathew, Ammini Mathew & Mr.Richi Mathew. The rate of interest shall be 1.65% p.a. over and above the One year Marginal Cost of funds based Lending Rate(MCLR) which is presently at 8.35% (present effective rate of interest is 10.00% per annum). Cash credit limit is rupees fifteen Crore.

\*\*\*\*\* Secured by first pari-passu by way of hypothecation of entire current assets of the company (present and future) including Gold Loan Receivables,with secured debenture holders and other banks as primary security and Fixed deposit of Rs 3 Crore in the name of the company as cash collateral security.The loan has been personally guaranteed by Mr.M Mathew, Ammini Mathew & Mr.Richi Mathew.The rate of interest shall be 10.30 %.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

(All amounts are in Hundreds of Indian rupees, unless otherwise stated)

**Note 8****Trade payables**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Total outstanding dues of micro enterprises and small enterprises; and	8,487.55	17,195.15
Total outstanding dues of creditors other than micro enterprises and small enterprises.	17,452.10	55,353.48
<b>Total</b>	<b>25,939.65</b>	<b>72,548.63</b>

**Disclosure relating to Micro, Small and Medium Enterprises**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	4,398.34	17,195.15
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
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
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2023 and 31st March, 2022. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Disclosure:- Schedule for Trade payables due for payment for the year ended 31st march 2023**

Particulars	Outstanding for following periods from the date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	8,487.55	NIL	NIL	NIL	8,487.55
ii) Others	17,452.10	NIL	NIL	NIL	17,452.10
iii) Disputed dues - MSME	NIL	NIL	NIL	NIL	NIL
iv) Disputed dues - Others	NIL	NIL	NIL	NIL	NIL

**Disclosure:- Schedule for Trade payables due for payment for the year ended 31st march 2022**

Particulars	Outstanding for following periods from the date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	17,195.15	NIL	NIL	NIL	17,195.15
ii) Others	55,353.48	NIL	NIL	NIL	55,353.48
iii) Disputed dues - MSME	NIL	NIL	NIL	NIL	NIL
iv) Disputed dues - Others	NIL	NIL	NIL	NIL	NIL

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 9****Provisions**

	<b>Non-Current</b>		<b>Current</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>A. Provision for employee benefits</b>				
Provision for Gratuity	86,463.16	73,607.87	26,904.49	23,021.87
<b>Total A</b>	<b>86,463.16</b>	<b>73,607.87</b>	<b>26,904.49</b>	<b>23,021.87</b>
<b>B. Other provisions</b>				
Provision for Non Performing Asset	-	-	80,960.61	12,476.59
Contingent Provisions against Standard Assets	-	-	1,26,499.07	84,320.95
Provision for CSR Expenditure	-	-	-	-
Provision for Taxation	-	-	6,77,275.21	6,14,126.93
<b>Total B</b>	<b>-</b>	<b>-</b>	<b>8,84,734.89</b>	<b>7,10,924.47</b>
<b>Total (A+B)</b>	<b>86,463.16</b>	<b>73,607.87</b>	<b>9,11,639.38</b>	<b>7,33,946.34</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 10A****Property, Plant and Equipment**

	<b>Land</b>	<b>Strong Room</b>	<b>Furniture and Fixtures</b>	<b>Vehicles</b>	<b>Computer &amp; Accessories</b>	<b>Office&amp;Electrical Equipments</b>	<b>Total</b>
<b>Cost</b>							
<b>01-Apr-21</b>	4,319.56	1,87,203.17	3,58,264.50	2,14,068.86	1,44,499.98	2,50,598.29	11,58,954.36
Additions	-	64,614.45	70,681.11	6,222.06	17,799.05	65,766.55	2,25,083.23
Deletions	-	-	5,187.92	33,532.94	-	-	38,720.86
<b>31-Mar-22</b>	<b>4,319.56</b>	<b>2,51,817.63</b>	<b>4,23,757.69</b>	<b>1,86,757.98</b>	<b>1,62,299.03</b>	<b>3,16,364.84</b>	<b>13,45,316.73</b>
<b>Cost</b>							
<b>01-Apr-22</b>	4,319.56	2,51,817.63	4,23,757.69	1,86,757.98	1,62,299.03	3,16,364.84	13,45,316.73
Additions	-	41,220.37	2,08,265.52	-	29,257.51	80,087.29	3,58,830.69
Deletions	-	-	-	-	-	-	-
<b>31-Mar-23</b>	<b>4,319.56</b>	<b>2,93,038.00</b>	<b>6,32,023.21</b>	<b>1,86,757.98</b>	<b>1,91,556.55</b>	<b>3,96,452.13</b>	<b>17,04,147.42</b>
<b>Accumulated Depreciation</b>							
<b>01-Apr-21</b>	-	1,20,463.53	2,26,458.20	1,57,012.65	1,34,243.21	1,79,890.58	8,18,068.17
Charge for the year	-	30,224.58	45,981.61	19,538.65	14,015.20	31,481.59	1,41,241.63
Deletions	-	-	4,928.52	33,044.68	-	-	37,973.20
<b>31-Mar-22</b>	<b>-</b>	<b>1,50,688.11</b>	<b>2,67,511.29</b>	<b>1,43,506.62</b>	<b>1,48,258.41</b>	<b>2,11,372.16</b>	<b>9,21,336.59</b>
<b>Accumulated Depreciation</b>							
<b>01-Apr-22</b>	-	1,50,688.11	2,67,511.29	1,43,506.62	1,48,258.41	2,11,372.16	9,21,336.59
Charge for the year	-	33,597.57	88,872.20	13,374.52	22,926.87	44,620.42	2,03,391.58
Deletions	-	-	-	-	-	-	-
<b>31-Mar-23</b>	<b>-</b>	<b>1,84,285.68</b>	<b>3,56,383.49</b>	<b>1,56,881.14</b>	<b>1,71,185.28</b>	<b>2,55,992.58</b>	<b>11,24,728.17</b>
<b>Net Block</b>							
<b>31-Mar-23</b>	<b>4,319.56</b>	<b>1,08,752.32</b>	<b>2,75,639.73</b>	<b>29,876.84</b>	<b>20,371.26</b>	<b>1,40,459.54</b>	<b>5,79,419.24</b>
<b>31-Mar-22</b>	<b>4,319.56</b>	<b>1,01,129.52</b>	<b>1,56,246.40</b>	<b>43,251.36</b>	<b>14,040.62</b>	<b>1,04,992.68</b>	<b>4,23,980.13</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 10B****Intangible assets**

	<u>Computer Software</u>
<b>Cost</b>	
<b>01-Apr-21</b>	84,631.35
Additions	-
Deletions	-
<b>31-Mar-22</b>	<u>84,631.35</u>
<b>Cost</b>	
<b>01-Apr-22</b>	84,631.35
Additions	1,090.00
Deletions	-
<b>31-Mar-23</b>	<u>85,721.35</u>
<b>Amortization</b>	
<b>01-Apr-21</b>	67,705.08
Charge for the year	16,926.27
Deletions	-
<b>31-Mar-22</b>	<u>84,631.35</u>
<b>Amortization</b>	
<b>01-Apr-22</b>	84,631.35
Charge for the year	218.00
Deletions	-
<b>31-Mar-23</b>	<u>84,849.35</u>
<b>Net Block</b>	
<b>31-Mar-23</b>	<u>872.00</u>
<b>31-Mar-22</b>	<u>-</u>

**MUTHOOT MERCANTILE LIMITED**

**Notes to the financial statements for the year ended 31-March-23**

*( All amounts are in Hundreds of Indian rupees, unless other wise stated)*

**Note 11**

**Deferred tax assets (net)**

	<u>31-Mar-23</u>	<u>31-Mar-22</u>
<b>Current year Deferred tax asset/(liability)</b>		
On account of Depreciation	91,103.25	71,684.34
On account of Provision for Gratuity	30,560.45	32,341.14
On account of 40 a disallowances	-	-
On account of Provision for Standard Assets	32,590.01	21,974.62
<b>Total</b>	<u><b>1,54,253.71</b></u>	<u><b>1,26,000.10</b></u>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 12****Loans and advances**

	<b>Non-current</b>		<b>Current</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>Portfolio Loan #</b>				
<b>Secured, considered good</b>				
Gold loan	-	-	4,94,69,769.58	3,32,55,799.94
<b>Unsecured, considered good</b>				
Pronote loan	-	-	12,69,016.73	5,96,129.56
<b>Total (A)</b>	<b>-</b>	<b>-</b>	<b>5,07,38,786.32</b>	<b>3,38,51,929.50</b>

# Provision for the same has been disclosed separately under note 9 .

Additional disclosure as required by Notification DNBS.CC.PD.No.265/03.10.01/2011-2012 dated 21 March, 2012 issued by the RBI

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Total Gold loan portfolio	4,94,69,769.58	3,32,55,799.94
Total Assets	6,06,50,555.48	4,20,35,738.79
Gold loan portfolio as a percentage of total assets	81.57%	79.11%

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 12 (Contd.)****Loans and advances**

	<b>Non-current</b>		<b>Current</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>Other Advances (Unsecured, considered good)</b>				
Fringe Benefit Tax refund due	139.80	139.80	-	-
Income Tax refund due	24,533.33	12,009.83	-	-
Advance Tax	82,000.00	3,65,000.00	-	-
Other prepaid taxes	5,37,501.55	2,61,617.81	-	-
TDS Refund Due	1,387.98	1,387.98	-	-
Prepaid Expenses	-	-	11,071.30	7,936.86
Capital Advances	4,407.15	15,748.49	-	-
Employee Advances	-	-	503.87	-
<b>Total (B)</b>	<b>6,49,969.81</b>	<b>6,55,903.90</b>	<b>11,575.17</b>	<b>7,936.86</b>
<b>Total (A)+(B)</b>	<b>6,49,969.81</b>	<b>6,55,903.90</b>	<b>5,07,50,361.49</b>	<b>3,38,59,866.36</b>

Loans and Advances due by directors or other officers of the company or any of them either severally or jointly with any other persons

Nil Nil Nil Nil

Amounts due by firms or private companies in which any director is a partner or a director or a member

Nil Nil Nil Nil

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 13****Investments**

	<b>Non-current</b>		<b>Current</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b><i>Investments in Mutual Funds</i></b>				
SBI Mutual Fund	-	-	-	11,01,984.04
	-	-	-	<b>11,01,984.04</b>

**Disclsoure relating to investments**

Aggregate amount of quoted investments and market value thereof	NIL	NIL	NIL	11,05,137.24
Aggregate amount of unquoted investments	NIL	NIL	NIL	NIL
Aggregate provision for diminution in value of investments	NIL	NIL	NIL	NIL
	-	-	-	<b>11,05,137.24</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

( All amounts are in Hundreds of Indian rupees, unless other wise stated)

**Note 14****Cash and bank balances**

	<b>Non-current</b>		<b>Current</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b><i>Cash and cash equivalents</i></b>				
Balances with banks	-	-	40,65,801.87	27,98,428.37
Cash on hand	-	-	4,82,046.46	6,60,983.93
Treasury Savings Bank	-	-	5,815.88	4,880.01
	-	-	<b>45,53,664.21</b>	<b>34,64,292.32</b>
<b><i>Earmarked balances with banks</i></b>				
Balance with banks to the extent held as security against borrowings	-	-	8,09,765.77	-
Unpaid NCD trustee account	-	-	4,716.65	4,723.14
<b><i>Other bank balances</i></b>				
Deposits with original maturity for more than 3 months but less than 12 months	-	-	26,109.44	10,483.19
<b>Total</b>	-	-	<b>53,94,256.06</b>	<b>34,79,498.64</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

( All amounts are in Hundreds of Indian rupees, unless other wise stated)

**Note 15****Other assets**

	<b>Non-current</b>		<b>Current</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>Interest accrued:</b>				
Interest accrued on Loan	-	-	25,59,888.63	18,82,301.39
Interest accrued on Bank deposit	-	-	514.29	100.57
Interest accrued on Treasury deposit	-	-	3,367.88	2,408.99
<b>Security Deposits</b>				
Treasury Deposit	20,500.00	21,400.00	23,175.18	22,275.18
Rental Deposits*	4,63,344.48	4,34,744.48	-	-
Other Security Deposits	5,462.98	7,471.28	-	-
<b>Others</b>				
Other Assets	-	-	45,169.73	17,803.72
<b>Total</b>	<b>4,89,307.46</b>	<b>4,63,615.76</b>	<b>26,32,115.71</b>	<b>19,24,889.85</b>

\*Rental Deposit Include rupees 1.5 Crore paid to Mr. M Mathew & Mrs. Ammini Mathew, Wholetime directors of the company as a security deposit in respect of leasing of Head Office premise.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 16****Revenue from operation**

	<u>31-Mar-23</u>	<u>31-Mar-22</u>
Interest Income	93,10,018.24	66,22,153.97
<b>Other Financial services</b>		
Service Charges Received	1,08,265.34	42,471.75
Commission Received	12,690.11	9,200.24
<b>Total</b>	<u><u>94,30,973.69</u></u>	<u><u>66,73,825.97</u></u>

**Note 17****Other income**

	<u>31-Mar-23</u>	<u>31-Mar-22</u>
Interest on Treasury deposit	1,894.76	3,880.59
Interest on Fixed deposit with banks	14,876.66	2,404.46
Interest on Income tax refund	-	868.54
Interest on electricity deposit	-	117.37
Rent Received	15,675.25	15,443.01
Creditors no longer required written off	-	-
Profit on Sale of Property, Plant and Equipment	-	3,750.64
Gain on sale of mutual fund	3,412.31	2,094.03
	-	-
<b>Total</b>	<u><u>35,858.98</u></u>	<u><u>28,558.64</u></u>

**Note 18****Finance costs**

	<u>31-Mar-23</u>	<u>31-Mar-22</u>
<b>Interest</b>		
Interest on Debenture	4,85,949.44	3,92,413.94
Interest on Subordinate Debts	17,62,937.63	14,01,350.40
Interest on Bank borrowings	9,87,056.10	3,74,983.32
Interest on Loan from director	-	2,469.15
Interest on Perpetual Debt Instrument	36,000.00	36,000.00
Interest on shortfall in payment of advance income tax	-	260.62
<b>Total</b>	<u><u>32,71,943.17</u></u>	<u><u>22,07,477.43</u></u>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 19****Employee benefits expense**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Salaries and allowances	19,88,581.87	10,78,509.71
Contribution to provident and other funds	39,423.00	35,149.85
<b>Total</b>	<b>20,28,004.87</b>	<b>11,13,659.56</b>

**Note 20****Other expenses**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Electricity Charges	51,798.28	35,015.19
Rent	7,46,213.72	4,32,565.16
Rates and taxes	7,004.84	6,855.74
Insurance	17,087.06	13,717.63
Repairs and maintenance	33,776.15	18,262.51
Computer maintenance and services	4,316.98	3,041.64
Corporate Social Responsibility Expenditure	35,244.00	48,760.00
Advertising and sales promotion	24,586.77	25,393.84
Travelling and conveyance	76,626.18	57,589.59
Telephone Charges	35,827.85	21,945.21
Printing and stationery	60,897.28	22,083.98
Office expenses	1,23,995.81	52,299.03
Bank charges	1,18,274.99	1,09,216.61
Professional charges	36,801.87	39,381.45
Provision for non performing assets	68,484.02	6,377.71
Contingent provisions against standard assets	42,178.12	13,281.37
Provision for loss on account of exchange rate fluctuation*	11,078.80	18,915.45
Refreshment Expenses	1,047.35	929.35
Donation	23.00	-
<b>Total</b>	<b>14,95,263.09</b>	<b>9,25,631.46</b>

\*during the year the company has incurred loss of ₹ 11,07,880/- due to foreign exchange rate difference on term loan availed by the company.

**Professional charges include payment to auditors:**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
as auditor	1,398.00	1,180.00
for taxation matters	1,000.00	-
for company law matters	-	-
for management services	-	-
for other services	-	-
for reimbursement of expenses	-	-
<b>Total</b>	<b>2,398.00</b>	<b>1,180.00</b>

**MUTHOOT MERCANTILE LIMITED**

**Notes to the financial statements for the year ended 31-March-23**

*( All amounts are in Hundreds of Indian rupees, unless other wise stated)*

**Note 21**

**Depreciation and amortization expense**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Depreciation of tangible assets	2,03,391.58	1,41,241.63
Amortization of intangible assets	218.00	16,926.27
<b>Total</b>	<b>2,03,609.58</b>	<b>1,58,167.90</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

*( All amounts are in Hundreds of Indian rupees, unless other wise stated)*

**Note 22****Earnings per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

	<u>31-Mar-23</u>	<u>31-Mar-22</u>
Net profit/(loss) for calculation of basic EPS ( A )	18,19,022.99	17,02,422.48
Weighted average number of equity shares in calculating basic EPS ( B )(In Hundreds)	2,94,187.50	2,94,187.50
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS ( C )	2,94,187.50	2,94,187.50
<b>Earnings Per Share (A/B)</b>	<u><b>6.18</b></u>	<u><b>5.79</b></u>
(Basic)		
<b>Earnings Per Share (A/C)</b>	<u><b>6.18</b></u>	<u><b>5.79</b></u>
(Diluted)		

**MUTHOOT MERCANTILE LIMITED**

**Notes to the financial statements for the year ended 31-March-23**

*( All amounts are in Hundreds of Indian rupees, unless other wise stated)*

**Note 23**

**Name of related parties**

Associates/Enterprises owned  
or significantly influenced by  
key management personnel/  
Director or their relatives

Muthoot Computer Software Development and Research Institute Private Limited  
Richi Mathew Software Technologies Limited  
Richi Mathew Securities Limited  
Muthoot Mercantile Nidhi Limited  
Muthoot Syndicate Nidhi Limited  
Muthoot M Ninan Memorial Charitable Society  
Muthoot Mrs. Accama Ninan Memorial Charitable Society

Key Management Personnel/  
Director or their relatives

Richi Mathew (Managing Director)  
M Mathew (Wholetime Director)  
Ammini Mathew(Wholetime Director)  
Asha Richi Mathew (Director-Appointed on 2-06-2022)  
Dillark Justin( Additional Director-Appointed on 21-10-2022)  
Neelakandan Madaswamy(Independent Director-Resigned on 31-03-2023)  
Reena Vargheese(Director resigned on 8-08-2022)  
Chandrasekharan Nair(Independent Director-Resigned on 3-10-2022)  
Aswathy Pradeep (Company Secretary-Resigned on 30-11-2022)  
Neethu C Biju (Company Secretary-Appointed on 3-01-2023)  
M R Rajeev (Chief Financial Officer)  
Nikita Elisabeth Varghese (Daughter of Reena Varghese)  
Giselle Richi (Daughter of Richi Mathew)  
Gabriela Ninan Richi (Daughter of Richi Mathew)  
Nimisha Elisabeth Varghese (Daughter of Reena Varghese)

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 23 (Contd.)****Related Party Transactions**

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel/Director or their relatives		Key Management Personnel/Director or their relatives		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Expenses recorded in the books:</b>						
<b><u>Rent</u></b>						
M Mathew	-	-	9,000.00	9,000.00	<b>9,000.00</b>	<b>9,000.00</b>
Ammini Mathew	-	-	9,000.00	9,000.00	<b>9,000.00</b>	<b>9,000.00</b>
<b><u>Remuneration</u></b>						
M.Mathew			20,000.00	-	<b>20,000.00</b>	-
Richi Mathew	-	-	60,000.00	30,000.00	<b>60,000.00</b>	<b>30,000.00</b>
Ammini Mathew	-	-	24,000.00	24,000.00	<b>24,000.00</b>	<b>24,000.00</b>
Asha Richi Mathew	-	-	10,000.00	-	<b>10,000.00</b>	-
Aswathy Pradeep	-	-	5,290.68	6,450.00	<b>5,290.68</b>	<b>6,450.00</b>
M R Rajeev	-	-	16,148.19	11,150.00	<b>16,148.19</b>	<b>11,150.00</b>
Neethu C Biju			1,707.94	-	<b>1,707.94</b>	-
<b><u>Director's Sitting Fee</u></b>						
M.Mathew	-	-	70,000.00	-	<b>70,000.00</b>	-
Richi Mathew	-	-	40,000.00	-	<b>40,000.00</b>	-
Asha Richi Mathew	-	-	60,000.00	-	<b>60,000.00</b>	-
Ammini Mathew	-	-	70,000.00	-	<b>70,000.00</b>	-
Neelakandan Madaswamy	-	-	70,000.00	-	<b>70,000.00</b>	-
Dillark Justin	-	-	10,000.00	-	<b>10,000.00</b>	-
Reena Varghese	-	-	20,000.00	-	<b>20,000.00</b>	-
<b><u>Gratuity Paid</u></b>						
Richi Mathew	-	-	19,797.26	-	<b>19,797.26</b>	-

**MUTHOOT MERCANTILE LIMITED**

**Notes to the financial statements for the year ended 31-March-23**

*( All amounts are in Hundreds of Indian rupees, unless other wise stated)*

**Note 23 (Contd.)**

**Related Party Transactions**

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel/Director or their relatives		Key Management Personnel/Director or their relatives		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b><u>Interest on Perpetual Debt Instrument</u></b>						
M Mathew	-	-	36,000.00	36,000.00	<b>36,000.00</b>	<b>36,000.00</b>
<b><u>Interest paid on Loan from Directors</u></b>						
M Mathew	-	-	-	2469.15	-	<b>2469.15</b>
<b><u>Interest paid on Debentures</u></b>						
Nikita Elizabeth Verghese	-	-	474.05	520.39	<b>474.05</b>	<b>520.39</b>
Asha Richi Mathew	-	-	2,280.77	1,790.72	<b>2,280.77</b>	<b>1,790.72</b>
<b><u>Interest paid on Subordinate Debts</u></b>						
Nikita Elizabeth Verghese	-	-	4,026.24	4,030.02	<b>4,026.24</b>	<b>4,030.02</b>
Giselle Richi	-	-	1,409.99	1,290.35	<b>1,409.99</b>	<b>1,290.35</b>
Asha Richi Mathew	-	-	444.00	464.09	<b>444.00</b>	<b>464.09</b>
Reena Varghese	-	-	3,141.78	3,763.78	<b>3,141.78</b>	<b>3,763.78</b>
M Mathew	-	-	3,882.49	1,346.79	<b>3,882.49</b>	<b>1,346.79</b>
Ammini Mathew	-	-	1,210.31	-	<b>1,210.31</b>	
Gabriela Ninan Richi	-	-	550.12	550.00	<b>550.12</b>	<b>550.00</b>
Nimisha Elizabeth Verghese	-	-	4,267.29	4,272.83	<b>4,267.29</b>	<b>4,272.83</b>
<b><u>Income recorded in the books:</u></b>						
<b><u>Rental Income</u></b>						
Muthoot Syndicate Nidhi Limited	15,675.25	15,443.01	-	-	<b>15,675.25</b>	<b>15,443.01</b>

**MUTHOOT MERCANTILE LIMITED**

**Notes to the financial statements for the year ended 31-March-23**

*( All amounts are in Hundreds of Indian rupees, unless other wise stated)*

**Note 23 (Contd.)**

**Related Party Transactions**

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel/Director or their relatives		Key Management Personnel/Director or their relatives		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b><u>Fee on Intellectual Property Rights</u></b>						
Muthoot Syndicate Nidhi Limited	-	-	-	-	-	-
<b>Balance outstanding as at the period end:</b>						
<b><u>Loan from Director</u></b>						
<b>M Mathew</b>						
<i>Balance outstanding at the beginning</i>	-	-	-	1,67,380.90	-	<b>1,67,380.90</b>
<i>Amount Accepted</i>	-	-	-	12,500.00	-	<b>12,500.00</b>
<i>Amount Repaid</i>	-	-	-	1,79,880.90	-	<b>1,79,880.90</b>
<i>Balance outstanding at the year end</i>	-	-	-	-	-	-
<b><u>Debenture</u></b>						
<b>Nikita Elizabeth Verghese</b>						
<i>Balance outstanding at the beginning</i>	-	-	6,500.00	16,500.00	<b>6,500.00</b>	<b>16,500.00</b>
<i>Amount Accepted</i>	-	-	5,100.00	-	<b>5,100.00</b>	-
<i>Amount Repaid</i>	-	-	6,500.00	10,000.00	<b>6,500.00</b>	<b>10,000.00</b>
<i>Balance outstanding at the year end</i>	-	-	5,100.00	6,500.00	<b>5,100.00</b>	<b>6,500.00</b>
<b>Asha Richi Mathew</b>						
<i>Balance outstanding at the beginning</i>	-	-	17,150.00	24,150.00	<b>17,150.00</b>	<b>24,150.00</b>
<i>Amount Accepted</i>	-	-	-	-	-	-
<i>Amount Repaid</i>	-	-	-	7,000.00	-	<b>7,000.00</b>
<i>Balance outstanding at the year end</i>	-	-	17,150.00	17,150.00	<b>17,150.00</b>	<b>17,150.00</b>

**MUTHOOT MERCANTILE LIMITED**

**Notes to the financial statements for the year ended 31-March-23**

(All amounts are in Hundreds of Indian rupees, unless other wise stated)

**Note 23 (Contd.)**

**Related Party Transactions**

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel/Director or their relatives		Key Management Personnel/Director or their relatives		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Subordinate Debts</b>						
<b>Nikita Elizabeth Verghese</b>						
<i>Balance outstanding at the beginning</i>	-	-	35,590.00	35,590.00	<b>35,590.00</b>	<b>35,590.00</b>
<i>Amount Accepted</i>	-	-	-	-	-	-
<i>Amount Repaid</i>	-	-	-	-	-	-
<i>Balance outstanding at the year end</i>	-	-	35,590.00	35,590.00	<b>35,590.00</b>	<b>35,590.00</b>
<b>Giselle Richi</b>						
<i>Balance outstanding at the beginning</i>	-	-	12,950.00	9,800.00	<b>12,950.00</b>	<b>9,800.00</b>
<i>Amount Accepted</i>	-	-	-	3,150.00	-	<b>3,150.00</b>
<i>Amount Repaid</i>	-	-	-	-	-	-
<i>Balance outstanding at the year end</i>	-	-	12,950.00	12,950.00	<b>12,950.00</b>	<b>12,950.00</b>
<b>Asha Richi Mathew</b>						
<i>Balance outstanding at the beginning</i>	-	-	10,500.00	5,600.00	<b>10,500.00</b>	<b>5,600.00</b>
<i>Amount Accepted</i>	-	-	-	10,500.00	-	<b>10,500.00</b>
<i>Amount Repaid</i>	-	-	8,500.00	5,600.00	<b>8,500.00</b>	<b>5,600.00</b>
<i>Balance outstanding at the year end</i>	-	-	2,000.00	10,500.00	<b>2,000.00</b>	<b>10,500.00</b>
<b>Reena Varghese</b>						
<i>Balance outstanding at the beginning</i>	-	-	33,670.00	30,770.00	<b>33,670.00</b>	<b>30,770.00</b>
<i>Amount Accepted</i>	-	-	-	2,900.00	-	<b>2,900.00</b>
<i>Amount Repaid</i>	-	-	18,550.00	-	<b>18,550.00</b>	-
<i>Balance outstanding at the year end</i>	-	-	15,120.00	33,670.00	<b>15,120.00</b>	<b>33,670.00</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 23 (Contd.)****Related Party Transactions**

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel/Director or their relatives		Key Management Personnel/Director or their relatives		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Gabriela Ninan Richi</b>						
<i>Balance outstanding at the beginning</i>	-	-	5,000.00	5,000.00	<b>5,000.00</b>	<b>5,000.00</b>
<i>Amount Accepted</i>	-	-	5,000.00	-	<b>5,000.00</b>	-
<i>Amount Repaid</i>	-	-	-	-	-	-
<i>Balance outstanding at the year end</i>	-	-	10,000.00	5,000.00	<b>10,000.00</b>	<b>5,000.00</b>
<b>M Mathew</b>						
<i>Balance outstanding at the beginning</i>	-	-	9,900.00	43,770.00	<b>9,900.00</b>	<b>43,770.00</b>
<i>Amount Accepted</i>	-	-	32,430.00	52,500.00	<b>32,430.00</b>	<b>52,500.00</b>
<i>Amount Repaid</i>	-	-	-	86,370.00	-	<b>86,370.00</b>
<i>Balance outstanding at the year end</i>	-	-	42,330.00	9,900.00	<b>42,330.00</b>	<b>9,900.00</b>
<b>Nimisha Elizabeth Verghese</b>						
<i>Balance outstanding at the beginning</i>	-	-	38,950.00	38,950.00	<b>38,950.00</b>	<b>38,950.00</b>
<i>Amount Accepted</i>	-	-	-	-	-	-
<i>Amount Repaid</i>	-	-	-	-	-	-
<i>Balance outstanding at the year end</i>	-	-	38,950.00	38,950.00	<b>38,950.00</b>	<b>38,950.00</b>
<b><u>Ammini Mathew</u></b>						
Balance outstanding at the beginning	-	-	-	-	-	-
Amount Accepted	-	-	23,450.00	-	<b>23,450.00</b>	-
Amount Repaid	-	-	-	-	-	-
Balance outstanding at the year end	-	-	23,450.00	-	<b>23,450.00</b>	-
<b><u>Perpetual Debt Instrument</u></b>						
M Mathew	-	-	3,00,000.00	3,00,000.00	<b>3,00,000.00</b>	<b>3,00,000.00</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 23 (Contd.)****Related Party Transactions**

<b>Particulars</b>	<b>Associates / Enterprises owned or significantly influenced by key management personnel/Director or their relatives</b>		<b>Key Management Personnel/Director or their relatives</b>		<b>Total</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b><u>Rental Deposits Paid</u></b>						
M Mathew & Ammini Mathew	-	-	1,50,000.00	1,50,000.00	<b>1,50,000.00</b>	<b>1,50,000.00</b>
<b><u>Interest Payable on Debenture</u></b>						
Nikita Elizabeth Verghese	-	-	385.24	1,942.22	<b>385.24</b>	<b>1,942.22</b>
Asha Richi Mathew	-	-	5,477.70	3,196.93	<b>5,477.70</b>	<b>3,196.93</b>
<b><u>Interest Payable on Perpetual Debt Instrument</u></b>						
M Mathew	-	-	-	8,100.00	-	<b>8,100.00</b>
<b><u>Interest Payable on Subordinate Debts</u></b>						
Nikita Elizabeth Verghese	-	-	11,923.50	7,897.26	<b>11,923.50</b>	<b>7,897.26</b>
Giselle Richi	-	-	3,308.01	1,898.02	<b>3,308.01</b>	<b>1,898.02</b>
Asha Richi Mathew	-	-	42.41	290.61	<b>42.41</b>	<b>290.61</b>
Reena Verghese	-	-	4,775.93	6,602.62	<b>4,775.93</b>	<b>6,602.62</b>
M Mathew	-	-	3,310.18	505.06	<b>3,310.18</b>	<b>505.06</b>
Ammini Mathew	-	-	900.61	-	<b>900.61</b>	-
Nimisha Elizabeth Verghese	-	-	11,865.95	7,598.66	<b>11,865.95</b>	<b>7,598.66</b>
Gabriela Ninan Richi	-	-	1,151.36	601.24	<b>1,151.36</b>	<b>601.24</b>
<b><u>Rent Payable</u></b>						
M Mathew (Including GST)	-	-	-	810.00	-	<b>810.00</b>
Ammini Mathew	-	-	-	675.00	-	<b>675.00</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 23 (Contd.)****Related Party Transactions**

<b>Particulars</b>	<b>Associates / Enterprises owned or significantly influenced by key management personnel/Director or their relatives</b>		<b>Key Management Personnel/Director or their relatives</b>		<b>Total</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b><u>Remuneration Payable</u></b>						
Richi Mathew	-	-	-	1,750.00	-	<b>1,750.00</b>
Ammini Mathew	-	-	-	1,400.00	-	<b>1,400.00</b>
Aswathy Pradeep	-	-	-	613.80	-	<b>613.80</b>
M R Rajeev	-	-	-	1,160.00	-	<b>1,160.00</b>
<b><u>Rent Receivable (Including GST)</u></b>						
Muthoot Syndicate Nidhi Limited	1,379.92	1,411.55	-	-	1379.917	<b>1,411.55</b>
<b><u>Director'S Siiting fee Payable</u></b>						
Asha Richi Mathew	-	-	20,000.00	-	20,000.00	-
Ammini Mathew	-	-	20,000.00	-	20,000.00	-
M Mathew	-	-	20,000.00	-	20,000.00	-
Neelakandan Madaswamy	-	-	20,000.00	-	20,000.00	-
Dillark Justin	-	-	10,000.00	-	10,000.00	-

**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.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 24****Gold and other loan portfolio classification and and provision for non performing assets (As per RBI Prudential Norms)**

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>A.Secured Loans</b>						
<b>Gold Loan</b>						
Standard Asset	4,93,30,930.02	3,31,32,246.07	1,23,327.33	82,830.62	4,92,07,602.69	3,30,49,415.45
Sub Standard Asset	1,13,955.51	1,22,768.87	60,357.42	12,276.89	53,598.09	1,10,491.98
Doubtful Asset	24,884.05	785.00	20,456.03	199.70	4,428.02	585.30
Loss Asset	-	-	-	-	-	-
<b>Total A</b>	<b>4,94,69,769.58</b>	<b>3,32,55,799.94</b>	<b>2,04,140.78</b>	<b>95,307.21</b>	<b>4,92,65,628.80</b>	<b>3,31,60,492.73</b>
<b>Particulars</b>	<b>Gross Loan Outstanding</b>		<b>Provision For Assets</b>		<b>Net Loan Outstanding</b>	
<b>B.Unsecured Loans</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>Pronote</b>						
Standard Asset	12,68,695.61	5,96,129.56	3,171.74	1,490.33	12,65,523.87	5,94,639.23
Sub Standard Asset	321.12	-	147.16	-	173.96	-
Doubtful Asset	-	-	-	-	-	-
Loss Asset	-	-	-	-	-	-
<b>Total B</b>	<b>12,69,016.73</b>	<b>5,96,129.56</b>	<b>3,318.90</b>	<b>1,490.33</b>	<b>12,65,697.83</b>	<b>5,94,639.23</b>
<b>Total(A+B)</b>	<b>5,07,38,786.32</b>	<b>3,38,51,929.50</b>	<b>2,07,459.68</b>	<b>96,797.54</b>	<b>5,05,31,326.64</b>	<b>3,37,55,131.96</b>

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 25****Employee Benefit Disclosure*****i) Gratuity***

<b><i>Changes in Present value of obligation</i></b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Present value of obligation at the beginning of the year	96,629.74	1,03,021.2
Acquisition adjustment	-	-
Interest cost	7,272.67	7,232.2
Past service cost	-	-
Current service cost	22,594.40	15,539.3
Curtailment cost	-	-
Settlement cost	-	-
Benefits paid	(17,216.56)	(17,231.8)
Actuarial gain/loss on obligation	4,087.40	(11,931.1)
Present value of obligations at the end of the year	1,13,367.65	96,629.7

***Changes in fair value of plan assets***

Not applicable as scheme is unfunded

***Funded status***

Not applicable as scheme is unfunded

<b><i>Expense recognised in the statement of Profit/Loss</i></b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Current service cost	22,594.40	15,539.32
Past service cost	-	-
Interest cost	7,272.67	7,232.19
Expected return of plan asset	-	-
Curtailment cost	-	-
Settlement cost	-	-
Actuarial gain/loss recognised in the year	4,087.40	(11,931.10)
Expense recognised in the statement of Profit/Loss	33,954.47	10,840.41

<b><i>Actuarial assumptions</i></b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Mortality table	IALM 2012-14 Ultimate table	IALM 2012-14 Ultimate table
Superannuation age	58	58
Early retirement and disablement	None	None
Discount rate	7.5%	6.1%
Inflation rate	7%	7%
Return on asset	N/A	N/A
Remaining working life	4.9	4.9
Formula used	Projected unit credit Method with control period of one year	Projected unit credit Method with control period of one year

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 25****Employee Benefit Disclosure (Contd)**

<b><i>Movements in Liability</i></b>		
Recognised in Balancesheet:	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Opening Net liability	96,629.74	96,629.74
Expenses as above	33,954.47	10,840.41
Contributions	-	-
Closing Net liability	1,13,367.65	96,629.74
Closing fund/provision at the end of year	1,13,367.65	96,629.74

**Notes to Appendix B of AS 15(r 2005)**

As the scheme is unfunded, charges to Profit/Loss account has been based on the following assumptions:

1. Previous obligation was provided for at last accounting date
2. Benefit to exits has been paid to debit of above provisions
3. Current obligation will be provided for at current accounting date

***Experience adjustment***

	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Fair value on plan assets	NA	NA	NA
Status ( Surplus/Deficit)	-	-	-
Actuarial Gain/Loss on plan assets	NA	NA	NA
Difference due to change in assumptions	-	-	-
Experience Adjustment of Plan Assets (Gain / loss)	-	-	-
Actuarial Gain/Loss on Obligation	4,087.40	(11,931.10)	-
Diference due to change in assumptions	-	-	-
Experience Adjustment of obligation (Gain/ loss)	4,087.40	(11,931.10)	-

Actuarial valuation is available for the last 3 years only, hence figures are given for the last 3 years.

**ii) Provident Fund**

The amount of Provident Fund contribution charged to the Statement of Profit and Loss during the year aggregating to ₹ 35,62,323/-(Previous year : ₹ 31,31,912/- ).

**iii) Employee State Insurance**

The amounts of Employee State Insurance contribution charged to the statement of profit and loss during the year aggregate to ₹ 3,79,977/- (Previous year-₹ 3,83,073/-)

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***( All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 26 Ratios**

<b>No.</b>	<b>Ratios</b>	<b>Numerator</b>	<b>Denominator</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>% Change</b>	<b>Reasons</b>
a)	Current Ratio	Current Assets	Current Liabilities	4.97:1	7.44:1	-33.15%	Due to increase in short term borrowings
b)	Debt Equity Ratio	Total Debt	Shareholders Equity	3.2:1	2.35:1	36.47%	Due to increase in Long Term Borrowings
c)	Debt Service Coverage Ratio	EBITDA	Interest & Lease payment	0.99:1	1.65:1	-39.74%	Due to increase in profit
d)	Return on Equity Ratio	NPAT	Shareholders Equity	0.13:1	0.15:1	-7.49%	NA
e)	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	NA	NA	NA	NA
f)	Trade Receivables Turnover Ratio	Net Credit Sales	Average Accounts Receivable	NA	NA	NA	NA
g)	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payable	NA	NA	NA	NA
h)	Net Capital Turnover Ratio	Net Sales	Average Working Capital	23.03%	22.59%	1.96%	NA
i)	Net Profit Ratio	Net Profit (After Tax)	Net Sales	19.29%	25.51%	-24.39%	NA
j)	Return on Capital Employed	EBIT	Capital Employed	11.76%	12.31%	-4.47%	NA
k)	Return on Investment	Net Profit	Cost of Investment	13.57%	14.66%	-7.43%	NA

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 27****Contingent Liabilities and Commitments**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<i>Contingent Liabilities</i>		
(a) Claims against the company not acknowledged as debt.	Nil	Nil
-Demand from Income Tax Department- TDS Default#	4,741.72	Nil
(b) Guarantees	Nil	Nil
(c) Other money for which the company is contingently liable	Nil	Nil
<i>Commitments</i>		
(a) Estimated amount of contract remaining to be executed on capital account and not provided for	12,210.20	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
(c) Other commitments	Nil	Nil

#The Income Tax Department also raised demand of ₹ 4,74,172.14/- on account of TDS default for the financial years 2007-08 to 2022-23. This happens due to clerical error in quarterly TDS return and the company proposes to revise the return to abolish errors. Since the company doesn't expect any liability after revising the return, no provision has been made in the books of accounts of the company.

**Note 28****Additional information to the statement of Profit and Loss**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
(a) Value of imports calculated on CIF basis by the company during the financial year in respect of -		
i) Raw materials	NIL	NIL
ii) Components and spare arts;	NIL	NIL
iii) Capital goods	NIL	NIL
(b) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;	3,56,481.67	10,478.01
(c) Total value if all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;	NIL	NIL
(d) The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;	NIL	NIL
(e) Earnings in foreign exchange classified under the following heads, namely:-		
i) Export of goods calculated on F.O.B. basis;	NIL	NIL
ii) Royalty, know-how, professional and consultation fees;	NIL	NIL
iii) Interest and dividend;	NIL	NIL
iv) Other income, indicating the nature thereof	NIL	NIL

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23**

(All amounts are in Hundreds of Indian rupees, unless other wise stated)

**Note 29****Lease**

The total of future minimum lease payments of the company are as follows:

- a) Not later than 1 year : ₹ 8,57,16,773.00/- (Previous year : ₹ 7,40,15,463/-)
- b) Later than 1 year and not later than 5 years : ₹ 30,79,77,045.68/- (Previous year : ₹ 27,33,39,357/-)
- c) Above 5 years : ₹ 18,11,81,604.43/- (Previous year : ₹ 20,12,20,166/-)

The lease payment recognized in the statement of profit and loss during the year is ₹ 7,46,21,372.24/-(Previous Year: ₹4,32,56,516/-)

**Note 30****Impairment of assets**

In the opinion of management, there is no impairment during the year under review.

**Note 31****Additional Provision on NPA**

During the year the company has identified certain gold loan advances against spurious gold. An additional provision of ₹ 64,39,222.90/- towards probable loss against these pledges if not redeemed.

**Note 32****Managerial Remuneration under section 197 of the Companies Act 2013**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
M.Mathew	20,000.00	-
Richi Mathew	60,000.00	30,000.00
Ammuni Mathew	24,000.00	24,000.00
Asha Richi Mathew	10,000.00	-

**Note 33****Utilization of Proceeds**

During the year the Company has raised an amount of ₹15,88,45,000/-(Previous Year: ₹ 16,55,74,000/-) by way of non-convertible debentures , ₹50,61,01,000/-(Previous Year: ₹35,16,58,000/-) by way of subordinate debts and ₹ 85,00,00,000 /-(Previous Year: ₹ 55,18,92,234) by way of term loan, ₹ Nil/- (Previous Year: ₹ 12,50,000/-) by way of loan from directors the same has been utilized for the purpose of working capital requirements.

**MUTHOOT MERCANTILE LIMITED****Notes to the financial statements for the year ended 31-March-23***(All amounts are in Hundreds of Indian rupees, unless other wise stated)***Note 34****Corporate Social Responsibility****The following is disclosed with regard to CSR activities :**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
a) Amount Required to be spend by the company during the year :	34,954.77	26,372.16
b) Amount of expenditure incurred :	35,244.00	48,760.00
c) Shortfall at the end of the year :	-	-
d) Total of previous year shortfall :	-	-
e) Reason for shortfall :	NIL	NIL
f) Nature of CSR Activities :	Amount distributed for Covid 19 releif	Amount distributed for Covid 19 releif
g) Details of related party transactions :	NIL	NIL
h) Provision incurred by entering into a contractual obligation :	NIL	NIL

**Note 35****Details of Auction held during the year**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
No. of Loan accounts	4541	5298
Principal amount Outstanding at the dates of auction(A)	17,50,686.89	23,23,260.84
Interest and Other charges Outstanding at the dates of auction(B)	4,84,132.75	5,58,793.22
Amount to be adjusted against other loans (C)	50,096.30	-
Total(A+B+C)	<b>22,84,915.94</b>	<b>28,82,054.06</b>
Value fetched*	22,94,957.20	28,86,069.25

\*excluding GST / Sales tax collected from the buyer.

No sister concerns participated in the auctions held during the period.

**Note 36****Disclosure on the following matters required under schedule III as amended not being applicable in case of the company, same are not covered such as :**

- a) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- b) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) No registration or satisfaction of charges are pending to be filed with ROC.
- d) The company has not entered into any scheme of arrangement.
- e) There are no transactions which have not been recorded in the books.
- f) The company has not traded or invested in crypto currency or virtual currency during the financial year.
- g) The company does not have any transaction with companies struck off under section 248 or the Companies Act 2013.

**MUTHOOT MERCANTILE LIMITED**

**Notes to the financial statements for the year ended 31-March-23**

*(All amounts are in Hundreds of Indian rupees, unless other wise stated)*

h) Utilisation of Borrowed funds or share premium :

No funds have been advanced or loaned or invested (either borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall 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 to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the company from any person(s) or entity(ies), including foreign entities (Funding Party) 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.

**Note 37**

**Comparatives**

The Company has reclassified previous year figures to conform to this year's classification.

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As per our report of even date attached

**For Mohandas & Associates**

**Chartered Accountant**

ICAI Firm Registration Number: 002116S

**Mohandas A**

[Partner]

Membership No.: 036726

Place: Thrissur

Date: 30th June 2023

**For and on behalf of the board of directors of**

**Muthoot Mercantile Limited**

**M Mathew**

[Wholetime Director]

DIN 00063078

**M R Rajeev**

[Chief Financial Officer]

Place: Thiruvananthapuram

Date: 30th June 2023

**Richi Mathew**

[Managing Director]

DIN 00224336

**Neethu C Biju**

[Company Secretary]

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.(5)	<b>Break-up of Investments:</b>			
	<u>Current Investments :</u>			
	1. <u>Quoted</u>			
	(i) Shares: (a) Equity		0	
	(b) Preference		0	
	(ii) Debentures and Bonds		0	
	(iii) Units of Mutual funds		0	
	(iv) Government securities		0	
	(v) Others (please specify)		0	
	2. <u>Unquoted:</u>			
	(i) Shares: (a) Equity		0	
	(b) Preference		0	
	(ii) Debentures and Bonds		0	
	(iii) Units of Mutual funds		0	
	(iv) Government securities		0	
	(v) Others (please specify)		0	
	<u>Long term Investments:</u>			
	1. <u>Quoted</u>			
	(i) Shares: (a) Equity		0	
	(b) Preference		0	
	(ii) Debentures and Bonds		0	
	(iii) Units of Mutual funds		0	
	(iv) Government securities		0	
	(v) Others (please specify)		0	
	2. <u>Unquoted:</u>			
	(i) Shares: (a) Equity		0	
	(b) Preference		0	
	(ii) Debentures and Bonds		0	
	(iii) Units of Mutual funds		0	
	(iv) Government securities		0	
	(v) Others (please specify)		0	
.(6)	<b>Borrower Group-wise classification of assets financed as in (3) and (4) above :</b>			
	Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties**			
	(a) Subsidiaries	0	0	0
	(b) Companies in the same group	0	0	0
	(c) Other related Parties	0	0	0
	2. Other than related parties	49266	1265.70	50531
	<b>Total</b>	<b>49266</b>	<b>1266</b>	<b>50531</b>

.(7)	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b>		
	Please see note 3 below		
	Category	Market value/Break-up or fair value or NAV	Book value (net of provisions)
	1. Related Parties**		
	(a)Subsidiaries	0	0
	(b)Companies in the same group	0	0
	(c)Other related parties	0	0

	2. Other than related Parties	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>
**As per Accounting Standard of ICAI (Please see Note 3)			

.(8)	<b>Other information</b>	
	Particulars	Amount
	(i) <u>Gross Non-Performing Assets</u>	
	(a) Related Parties	0
	(b) Other than related parties	139
	(ii) <u>Net Non-Performing Assets</u>	
	(a) Related Parties	0
	(b) Other than related parties	58
	(iii) Asset acquired in Satisfaction of Debt	0

**Notes:**

- As defined in point xix of paragraph 3 of Chapter -2 of these Directions.
- Provisioning norms shall be applicable as prescribed in these Directions.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, Market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

As per our report of even date attached  
**For Mohandas & Associates**  
**Chartered Accountant**  
ICAI Firm Registration Number: 002116S

**Mohandas A**  
[Partner]  
Membership No.: 036726

Place: Thrissur  
Date: 30th June 2023

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

**M Mathew**  
[Wholetime Director]  
DIN 00063078

**M R Rajeev**  
[Chief Financial Officer]  
Place: Thiruvananthapuram  
Date: 30th June 2023

**Richi Mathew**  
[Managing Director]  
DIN 00224336

**Neethu C Biju**  
[Company Secretary]