



Muthoot Vehicle & Asset Finance Ltd.

Corporate Office : 5th & 6th floor,
Mithun Tower, K.P. Vallon Road,
Kadavanthra, Kochi - 682 020

CIN - U65910KL1992PLC006544
Phone : +91 7593864417, 7593864418
mvfcoadmin@muthootgroup.com
www.mvaf.com

Ref: SEC/MVAFL/BSE/2021/45

June 30, 2021

Department of Corporate Services

BSE Limited,

P. J. Tower, Dalal Street,

Mumbai - 400 001

Scrip Code: 937151

Dear Sir/Madam,

Sub: Declaration with respect to Audit report with unmodified opinion to the Audited Standalone Financial Results for the financial year ended March 31, 2021.

We declare that the Audited Standalone Financial Results for the financial year ended March 31, 2021 have been approved by the Board of Directors of the Company at the meeting held on June 04, 2021. The Statutory Auditors of the Company, M/s. JVR, Chartered Accountants (Firm Reg. No. 011121S) have not expressed any modified opinion(s) in their Audit Report on the Audited Standalone Financial Results.

The above declaration is made in pursuant to Regulation 52 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, as amended from time to time.

Thanking You,

For **Muthoot Vehicle & Asset Finance Limited**

KAVITHA K NAIR

Company Secretary

ICSI Membership No. A60318

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin

Statement of Audited financial results for the year ended March 31, 2021

(Rs in lakhs)

Particulars	Half year ended		Year ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue from operations				
Interest Income	2,950.49	3178.82	6,060.90	6,322.28
Dividend Income	30.36	5.052856	137.15	5.91
Net Gain on Fair Value Changes	0.25		0.25	-
Sale of Services	-	25.04	-	164.90
Total Revenue from Operations	2,981.10	3,208.91	6,198.30	6,493.09
Other Income	312.93	346.57	563.03	425.86
Total Income	3,294.03	3,555.48	6,761.32	6,918.94
Expenses				
Finance Cost	1,701.35	1730.44	3,919.86	3,422.19
Fees and Commission Expense	-	12.88	-	121.51
Impairment on Financial Instruments	1,632.53	541.71	2,484.27	839.64
Employee Benefit Expense	447.63	539.47	805.02	1,166.86
Depreciation, amortization and impairment	16.29	27.41	35.31	57.06
Other Expenses	336.01	493.92	571.90	887.34
	-			
Total Expense	4,133.79	3,345.83	7,816.35	6,494.60
	-			
Profit Before Tax	(839.77)	209.65	(1,055.03)	424.34
Tax Expense				
Current Tax	(80.16)	69.88		179.61
Deferred Tax	(179.81)	(18.51)	(178.23)	(77.98)
Taxes Relating to Prior Years	(7.17)	7.68	(7.17)	7.68
Total Tax Expense	(267.14)	59.05	(185.40)	109.31
Profit after Tax	(572.63)	150.60	(869.63)	315.03
Other Comprehensive Income (OCI)				
Items that will not be reclassified to profit or loss:				
Remeasurement gains/(losses) on defined benefit plans	(15.20)	3.09	(30.00)	1.16
Tax impact on above	3.83	(0.78)	7.55	(0.29)
periods:				
Tax impact on above	-			
Other comprehensive income for the year (net of tax)	(11.38)	2.32	(22.45)	0.87
Total comprehensive income for the year	(584.01)	152.91	(892.08)	315.90
Earnings per Equity share: (Face value of Rs. 10/- each)				
Basic (Rs.)	(2.90)	0.60	(3.48)	1.26
Diluted (Rs.)	(2.90)	0.60	(3.48)	1.26

For Muthoot Vehicle & Asset Finance Limited

Sd/-

George Muthoot Jacob

Whole time Director

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin

Statement of Assets and Liabilities

(Rs in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
ASSETS		
Financial Assets		
Cash and Cash Equivalents	5,202.93	13,528.32
Bank balances other than cash and cash equivalents	4,274.27	7,846.67
Loans	30,325.52	39,969.17
Investments	2,739.82	1,528.20
Other financial assets	87.58	114.82
Non - Financial Assets		
Current Tax Assets (Net)	131.44	90.15
Deferred Tax Assets (Net)	247.63	61.85
Investment Property	10.83	10.83
Property, Plant and Equipment	319.14	340.66
Intangible Assets	15.04	20.16
Other Non-financial Assets	975.94	891.16
Total Assets	44,330.14	64,401.98
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
Payables		
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	47.38	94.48
Other Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.21
Debt Securities	20,929.25	21,952.49
Borrowings (other than debt securities)	1.01	12,260.23
Deposits	12,340.26	19,026.18
Other Financial Liabilities	1,710.62	907.86
Non Financial Liabilities		
Provisions	51.72	73.74
Other Non-financial Liabilities	136.13	80.93
Equity		
Equity Share Capital	2,500.00	2,500.00
Other Equity	6,613.78	7,505.86
Total Liabilities and Equity	44,330.14	64,401.98

For Muthoot Vehicle & Asset Finance Limited

Sd/-

George Muthoot Jacob
Whole time Director

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin

Statement of Cash Flow

(Rs in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A Cash flow from Operating activities		
Profit before tax	(1,055.03)	424.34
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation, amortisation and impairment	35.31	57.06
Impairment on financial instruments	2,484.27	839.64
Finance cost	3,919.86	3,422.19
Loss on sale of Property, plant and equipment	0.86	0.81
Provision for Gratuity	6.09	3.68
Provision for Leave Encashment	0.92	(2.05)
Profit on sale of investments	-	(1.05)
Profit on sale of Property, plant and equipment	(0.02)	-
Dividend from mutual fund	(137.15)	(5.91)
Net Gain on Fair Value Changes	(0.25)	-
Interest income from investment	(120.61)	(114.91)
Operating Profit Before Working Capital Changes	5,134.24	4,623.79
(Increase)/Decrease in Current Tax Asset	97.32	-
(Increase)/Decrease in Loans	7,159.38	2,427.01
(Increase)/Decrease in Other financial asset	27.25	(8.84)
(Increase)/Decrease in Other non-financial asset	(120.87)	57.58
Increase/(Decrease) in Other financial liabilities	802.76	(372.00)
Increase/(Decrease) in Other non financial liabilities	55.19	2.68
Increase/(Decrease) in Trade payables	(47.11)	41.18
Increase/(Decrease) in Provisions	(22.94)	(29.19)
Cash Generated From Operations	13,085.22	6,742.22
Financial expenses paid	(3,919.86)	(3,422.19)
Income Tax Paid	(131.44)	(315.90)
Net cash from operating activities	9,033.92	3,004.14
B Cash flow from Investing activities		
Purchase of Property, plant and equipment and intangible assets	(10.18)	(50.40)
Proceeds from sale of Property, plant and equipments	0.46	0.19
(Increase)/Decrease in Bank balances other than cash and cash equivalents	3,572.39	(6,847.98)
(Purchase) / Sale of investments	(1,211.37)	(185.61)
Dividend from mutual fund	137.15	5.91
Interest income from investments	120.61	114.91
Net cash from Investing activities	2,609.07	(6,962.98)
C Cash flow from Financing activities		
Increase/(Decrease) in Deposits	(6,685.92)	8,177.24
Increase / (decrease) in debt securities	(1,023.24)	19,885.49
Increase / (decrease) in borrowings (other than debt securities)	(12,259.22)	(10,918.25)
Dividend paid (including dividend distribution tax)	-	(330.83)
Net cash from financing activities	(19,968.38)	16,813.65
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(8,325.39)	12,854.81
Cash and cash equivalents at Beginning of the Year	13,528.32	673.50
Cash and cash equivalents at end of the Year	5,202.93	13,528.32

For Muthoot Vehicle & Asset Finance Limited

Sd/-

George Muthoot Jacob

Whole time Director

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin

Notes:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 04th June, 2021.
2. The Company has prepared its Statement of financial results for the half-year / year ended March 31, 2021 in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016.
3. The company is a Deposit Taking NBFC and its operation is in Asset Financing Segment i.e., Vehicle Finance Business- Financial Services and all other activities are incidental to main business activity, hence have only one reportable segment as per Indian Accounting Standard AS 108“Operating Segments”.
4. The Company has maintained requisite full asset cover by way of Pari-passu charge over current assets, book debts, loans and advances and receivables both present and future of our company on its secured listed Non – convertible Debentures aggregating to Rs.200 crores as on 31st March 2021.
5. The Information pursuant to regulation 52(4) and 52 (6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in Annexure A.
6. In exercise of powers conferred in terms of Section 30 of the Payments and Settlement Systems Act, 2007,RBI imposed a penalty of ₹34,55,000/- (Rupees Thirty four lakh fifty fivethousand only) on the Company for the violation of the instructions contained in paragraph 12.3 (iii) and paragraph 15.5 of the Master Direction on Issuance and Operation of Prepaid Payment Instruments.

7. There has been no significant impact on the operations and financial position of the company on account of the outbreak of COVID 19 pandemic, including the current second wave. In accordance with the regulatory package announced by the Reserve Bank of India, the company has offered optional moratorium on payment of loan installments falling due between March 1, 2020 & August 31, 2020.

In public Interest Litigation (Gajendra Sharma vs. Union of India & Anr), the Honorable Supreme Court, vide interim order dated September 3, 2020 has directed that the accounts which were not declared Non performing asset (NPA) till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts have been classified as Stage 3 for application of expected credit loss method as per Ind AS 109 ('Financial Instruments').

The interim order of the Hon Supreme Court granted not to declare accounts as NPA was vacated vide their judgment dated March 23, 2021 and in accordance with the RBI circular thereon the Company has continued with the asset classification of borrower accounts as per ECL model under IND AS financial statements for the year ended 31st March 2021 and the extant RBI instructions/IRAC norms. The provisions held by the company are considered adequate to cover all future situations that may arise from the pandemic, which the company will continue to assess closely.

8. During the year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020. Based on resolution framework, the Company has provided resolution plan for 10 accounts having an aggregate exposure of Rs. 68.61 Lakhs.

9. The Company in accordance with RBI circular no. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021 has put in place a Board approved policy to refund /adjust the 'interest on interest' charges to borrowers during moratorium period i.e. March 1, 2020 to August 31, 2020. In line with the RBI circular dated April 7, 2021, the Company has calculated such additional interest on interest and created a specific liability for eligible loan accounts, which will be paid in due course.
10. Previous period figures have been regrouped/ reclassified wherever necessary to conform to current period presentation.
11. The Statement include the results for the half year ended March 31, 2021 being the balancing figure between audited figures in respect of full year and published year to date figures up to half year of the current financial year which were subject to Limited Review by the Statutory Auditors of the company.

Date: 04/06/2021

Place: Cochin

For Muthoot Vehicle & Asset Finance Limited

Sd/-

George Muthoot Jacob

DIN: 00018955

Whole time Director

Details of Non-convertible debentures issued on IPO basis under regulations 52 (4) of SEBI
(Listing obligation and disclosure requirement) Regulations, 2015

(a) Credit Rating obtained by the company and change in credit rating (if any)

SI No	Particulars	As at March 31,2021	As at March 31,2020
1	Bank Loans- Long Term	CRISIL A (Stable)	CRISIL A (Stable), #ICRA BBB+ (Negative)
2	Bank Loans- Short Term	CRISIL A (Stable)	CRISIL A (Stable), #ICRA A2
3	Non-Convertible Debentures- Long Term	CRISIL A (Stable)	CRISIL A (Stable)
4	Public Deposits	CRISIL FA+ (Stable)	CRISIL FA+ (Stable) *ICRA MA (Negative)

Rating of ICRA for Bank Limits Stands withdrawn with effect from May 18, 2020.

* Rating of ICRA for Public deposit Stands withdrawn with effect from December 02, 2020.

(b) Debt –Equity Ratio

Particulars	As at March 31,2021	As at March 31,2020
(a) Debt –Equity Ratio	3.86	3.78

(c) Previous due date for payment of Interest/Dividend for non-convertible redeemable preference shares/repayment of principal of non-convertible preference shares/ non-convertible debt securities for the period and whether the same has been paid or not:

(i) The company has not issued any preference shares

(ii) Previous dates for payment of Interest/repayment of principal and Next due date for Interest/ Principal of non-convertible debt securities for the period:

Sl no	Series No	Previous due date/payment date for half year period (01.10.2020 to 31.03.2021)		Next due date/payment date for half year period (01.04.2021 to 30.09.2021)	
		Principal	Interest	Principal	Interest
		1	Option I (INE00XE7093)	-	01.10.2020 02.11.2020 01.12.2020 01.01.2021 01.02.2021 01.03.2021
2	Option II (INE00XE7101)	-	01.10.2020 02.11.2020 01.12.2020 01.01.2021 01.02.2021 01.03.2021	-	03/04/2021 03/05/2021 01/06/2021 01/07/2021 02/08/2021 01/09/2021
3	Option III (INE00XE7119)	-	01.10.2020 02.11.2020 01.12.2020 01.01.2021 01.02.2021 01.03.2021	-	03/04/2021 03/05/2021 01/06/2021 01/07/2021 02/08/2021 01/09/2021
4	Option IV*(INE00XE7127)	-	17.03.2021	-	-
5	Option V*(INE00XE7135)	-	17.03.2021	-	-
6	Option VI*(INE00XE7143)	-	17.03.2021	-	-
7	Option VII**(INE00XE7150)	-	-	-	-
8	Option VIII**(INE00XE7168)	-	-	-	-
9	Option IX**(INE00XE7176)	-	-	-	-
10	Option X**(INE00XE7184)	-	-	-	-

**interest payable on Annual basis*

*** Cumulative payout due on redemption*

The principal and/or interest amounts on the above non-convertible debt securities was paid/will be paid on due date(s) as per the terms of issue of respective prospectus

(d) (i) Capital Redemption Reserve as on 31, ,March 2021 – NIL

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

(e) Net Worth

Particulars	As at March 31,2021	As at March 31,2020
Net Worth	9,113.78	10,005.86

(f) Net Profit After Tax

Particulars	As at March 31,2021	As at March 31,2020
Net Profit After Tax	(869.63)	315.03

(g) Earnings Per Share

Particulars	As at March 31,2021	As at March 31,2020
Basic	(3.48)	1.26
Diluted	(3.48)	1.26

INDEPENDENT AUDITOR'S REPORT

The Members of
Muthoot Vehicle & Asset Finance limited
Kochi

Opinion

We have audited the accompanying financial statements of **Muthoot Vehicle & Asset Finance limited**, which comprise the Balance Sheet as at March 31st, 2021 and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement 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 Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the company as at 31st March 2021, its loss, total comprehensive income, changes in equity, and its cash flows for the year ended on that date.

Basis of 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual 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 do not express any form of assurance conclusion thereon.

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 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 B, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity and 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 Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31st, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2021 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 A".



With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The company has disclosed the impact of Pending litigations on its financial position in its financial statements.
- ii) The company does not have any long-term contracts requiring a provision for material foreseeable losses.
- iii) The company does not have any pending amounts required to be transferred to the Investor Education and Protection Fund.

For JVR& ASSOCIATES
Chartered Accountants
(F. R. No. 011121S)


ANISH ABRAHAM
Partner

M.No.217939

UDIN: 21217939AAAAAU2280

Place: Kochi-16
Date: 04.06.2021



ANNEXURE (A) REFERRED TO IN PARAGRAPH 2 (g) OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MUTHOOT VEHICLE & ASSET FINANCE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2021.

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

We have audited the internal financial controls over financial reporting of Muthoot Vehicle & Asset Finance Limited as of March 31st, 2021 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 Board of Directors of the company 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.

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 and the Standards on Auditing, 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, 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.

For JVR & ASSOCIATES
Chartered Accountants
(F. R. No. 011121S)



ANISH ABRAHAM

Partner

M.No.217939

UDIN: 21217939AAAAAU2280

Place: Kochi-16
Date : 04.06.2021



ANNEXURE (B) REFERRED TO IN PARAGRAPH 1 OF THE INDEPENDENT AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF MUTHOOT VEHICLE & ASSET FINANCE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE PERIOD ENDED 31st MARCH, 2021.

In terms of Companies (Auditor's Report) Order 2016, issued by Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that: -

- 1) (i) The company has maintained records showing full particulars, including quantitative details and location of fixed assets.

(ii) Fixed assets have been physically verified by the management at reasonable intervals.

(iii) The title deeds of immovable properties shown in the financial statements are held in the name of the company.
- 2) As the company is not dealing in/holding goods, the clauses relating to inventories are not applicable to the company.
- 3) (i) The company has granted loans in the ordinary course of business as a Non-Banking Finance Company to parties listed in the register maintained under Section 189 of The Companies Act, 2013. According to the information and explanations given to us, the terms and conditions of the loans are not prima facie prejudicial to the interest of the Company.

(ii) The schedule of repayment of principal and payment of interest has been stipulated and such repayments or receipts are regular.

(iii) There is no amount overdue for more than 90 days with respect to these Loans.
- 4) The company has complied with the provisions of Section 185 and 186 of The Companies Act, 2013, with respect to the loans and investments made.
- 5) In our opinion and according to the information and explanations given to us, the Company has complied with the directions issued by Reserve Bank of India and the



provisions of section 73 to 76 of the Companies Act ,2013 and rules made there under in respect of deposits accepted from public.

- 6) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the companies Act ,2013 for the company.
- 7) (i) The company is regular in depositing undisputed statutory dues including Provident Fund, employee's State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.

(ii) According to the information and explanations given to us, the following disputed statutory dues are outstanding as on the date of balance sheet:

Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending	Demand Set off against the refund under protest.
Income Tax Act ,1961	Income Tax	7,83,880.00	2011-12	Commissioner of Income Tax	0.00
Income Tax Act ,1961	Income Tax	7,43,450.00	2013-14	Commissioner of Income Tax	7,43,450.00
Income Tax Act ,1961	Income Tax	1,00,852.00	2014-15	Commissioner of Income Tax	0.00

- 8) The company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders.
- 9) The term loans has been utilized for the purposes for which they were obtained.
- 10) Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud by the company or on the company by its officers/employees has been noticed or reported during the course of our audit.



- 11) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid in accordance with the requisite approvals under Section 197 read with Schedule V of the Companies Act,2013.
- 12) The transactions entered into with related parties are in compliance with section 177 and 188 of The Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 13) The company has not made any preferential allotment and private placement of shares or fully /partly convertible debentures during the year.
- 14) The company has not entered into any non-cash transactions with directors or persons connected with him, during the year.
- 15) The company has obtained registration under section 45-IA of the Reserve Bank of India Act, 1934 to carry on the business as a Non-Banking Financial Company accepting public deposit vide registration number A-16.00042 dated 20.03.2007
- 16) Matter specified in clause (xii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.

For JVR & ASSOCIATES
Chartered Accountants
(F. R. No. 011121S)


ANISH ABRAHAM
Partner
M.No.217939

UDIN: 21217939AAAAAU2280

Place: Kochi-16
Date : 04.06.2021





Muthoot Vehicle & Asset Finance Ltd.

Corporate Office : 5th & 6th floor,
Mithun Tower, K.P. Vallon Road,
Kadavanthra, Kochi - 682 020

CIN - U65910KL1992PLC006544
Phone : +91 7593864417, 7593864418
mvflcoadmin@muthootgroup.com
www.mvafli.com

MVFL/CO/FIN/BSE/65

Date:30.06.2021

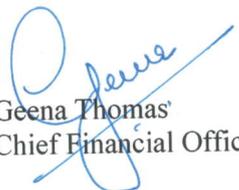
Listing Department
BSE Limited
P. J. Towers, Dalal Street,
Mumbai 400 001

Dear Sir,

Sub: Declaration in respect of Unmodified Opinion on Audited Financial Statement for the financial year ended 31st March 2021

Pursuant to Regulation 52 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare and confirm that the Statutory Auditor of the Company, JVR & Associates, have issued their report with Unmodified Opinion on the Standalone Financial Statement of Muthoot Vehicle & Asset Finance Ltd. for the period ended on 31st March 2021

For Muthoot Vehicle & Asset Finance Ltd.


Geena Thomas
Chief Financial Officer

