

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To
The Board of Directors
Muthoot Microfin Limited
(CIN: U65190MH1992PLC066228)

Registered office: 13 th Floor, Parinee Crescenzo, Bandra Kurla Complex, Bandra East, Mumbai MH 400051 IN	Administrative office: 5 th Floor, Muthoot Towers M.G. Road, Kochi, Kochi – 682035 KL IN
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Dear Sirs / Madam,

1. We have examined the attached Restated Financial Information of **Muthoot Microfin Limited** (the "**Company**"), comprising the restated statement of assets and liabilities as at September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated statement of cash flows for the six months period ended September 30, 2023, September 30, 2022 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of significant accounting policies and other explanatory information (collectively, the "**Restated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on November 25, 2023 for the purpose of inclusion in the Red Herring Prospectus ("**RHP**") prepared by the management of the Company ("the Management") in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:
 - a. section 26 of Part I of Chapter III of the Companies Act, 2013 including Rules thereon, as amended (the "**Act**");
 - b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("**ICDR Regulations**"); and
 - c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "**Guidance Note**").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the RHP, to be filed with the Securities and Exchange Board of India ("**SEBI**"), National Stock Exchange of India Limited and BSE Limited (collectively, "**Stock Exchanges**"), and Registrar of Companies, Maharashtra (as applicable), in connection with the proposed IPO. The Restated Financial Information has

been prepared by the Management on the basis of preparation stated in note 2 to the Restated Financial Information.

The responsibilities of the Board of Directors of the Company include designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations, and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:
 - a. the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated January 27, 2023 in connection with the proposed IPO of equity shares of the Company;
 - b. the Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c. concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d. the requirements of section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.

4. These Restated Financial Information have been compiled by the Management from:
 - a. audited Interim Ind AS Financial Statements of the Company as at and for the six months period ended September 30, 2023 and September 30, 2022, prepared in accordance with Indian Accounting Standards ("**Ind AS**") 34 'Interim Financial Reporting' specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors in their meeting held on November 25, 2023.
 - b. Ind AS Financial Statements of the Company as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 audited by respective statutory auditors and prepared in accordance with Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors in their meeting held on May 6, 2023, May 10, 2022 and June 3, 2021 respectively.

5. We have audited the Financial Statements of the Company for the year ended March 31, 2023 and March 31, 2022 prepared by the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India, for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to the proposed IPO.



6. For the purpose of our examination of Restated Financial Information, we have relied on:
 - a. Special purpose audit report issued by us dated November 25, 2023 on the Interim Ind AS financial statements of the company as at and for the six months period ended September 30, 2023 and September 30, 2022, as referred in paragraph 4 (a) above.
 - b. The auditors' report issued by us dated May 6, 2023, and May 10, 2022, on Ind AS financial statements of the company as at and for the years ending March 31, 2023, and March 31, 2022, respectively, as referred in paragraph 4 (b) above.
 - c. auditors' report issued by, [Walker Chandiook & Co LLP, Chartered Accountants ("the Previous Auditor")] dated June 03, 2021 on the Ind AS financial statements as at and for the year ended March 31, 2021, as referred in paragraph 4 (b) above.
7. The above referred reports on the financial statements issued by us and the previous auditor were unmodified. However, the report includes an Emphasis of Matter paragraph which describes the uncertainties relating to the effects of the Covid-19 pandemic outbreak on the Company's operation as at and for the year ended March 31, 2021 which is reproduced below.

"We draw attention to note 52 to the accompanying financial statements which describes the uncertainties relating to the effects of the COVID-19 pandemic outbreak on the Company's operations, the extent of which is significantly dependent on future developments, as they evolve. Our opinion is not modified in respect of this matter."

8. Based on our examination and according to the information and explanations given to us, and based on the reliance placed on the auditor's report issued by other auditor as mentioned in paragraph 6 above, we report that the Restated Financial Information:
 - a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications, if any, retrospectively in the six month period ended September 30, 2023, September 30, 2022 and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six month period ended September 30, 2023;
 - b. there are no qualifications in the auditors' report on the interim Ind AS financial statement and audited Ind AS financial statements of the Company which require any adjustments to the Restated Financial Information. There is an Emphasis of Matter (refer paragraph 7 above), which does not require any adjustment to the Restated Financial Information;
 - c. do not require any adjustment for the matters giving rise to modification, as there is no modification in the underlying audit/ special purpose audit reports; and
 - d. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on interim Ind AS financial statements and audited Ind AS financial statements mentioned in paragraph 4 above.



10. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or the previous auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our examination report for events and circumstances occurring after the date of this report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the RHP to be filed with SEBI and the Stock Exchanges, and Registrar of Companies, Maharashtra, as applicable in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Sharp & Tannan Associates**
Chartered Accountants
Firm's registration no.: 109983W
by the hand of



A handwritten signature in blue ink, appearing to read "Tirtharaj Khot".

Tirtharaj Khot
Partner

Membership no.: (F) 037457
UDIN: 23037457BGYROT3745

Pune, November 25, 2023