



MCSL/SEC/21-22/106

October 30, 2021

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001
Scrip Code - 511766

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
Trading Symbol - MUTHOOTCAP

Dear Sir/Madam,

Sub: Regulation 33 - Unaudited Financial Results with Limited Review Report for the quarter and half ended September 30, 2021

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the unaudited financial results for the quarter and half ended September 30, 2021 along with Limited Review Report.

It may please be noted that the meeting was commenced at 10.00 A.M. IST and concluded at 12.55 P.M. IST.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

For Muthoot Capital Services Limited

Abhijith Jayan
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Abhijith Jayan
Date: 2021.10.30
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Abhijith Jayan
Company Secretary & Compliance Officer

Encl: As above



Statement of Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2021

(₹ In lakhs except earnings per share)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I Revenue from operations						
(i) Interest Income	98 96	97 65	143 55	196 61	274 63	503 88
(ii) Dividend Income	-	3	-	3	-	-
(iii) Net gain on fair value changes	21	12	11	33	23	26
Total Revenue From Operations	99 17	97 80	143 66	196 97	274 86	504 14
II Other income	13	8	6	21	7	90
III Total income (I+II)	99 30	97 88	143 72	197 18	274 93	505 04
IV Expenses						
(i) Finance costs	39 30	40 17	47 75	79 47	100 29	187 05
(ii) Impairment on financial instruments	30 70	50 44	38 50	81 14	71 88	94 79
(iii) Employee benefits expenses	17 65	16 42	17 32	34 07	35 76	69 28
(iv) Depreciation, amortisation and impairment	24	23	32	47	63	1 30
(v) Net loss on fair value changes	-	-	21	-	21	-
(vi) Other expenses	22 04	10 56	18 32	32 60	27 38	83 12
Total expenses (IV)	109 93	117 82	122 42	227 75	236 15	435 54
V Profit/(Loss) before tax (III-IV)	-10 63	-19 94	21 30	-30 57	38 78	69 50
VI Tax expense						
(1) Current tax	7 83	9 76	7 39	17 59	11 21	16 20
(2) Deferred tax	-10 38	-14 66	-1 86	-25 04	-1 11	5 42
(3) Tax Relating to Prior Years	-	-	-	-	-	-3 58
Total tax expenses	-2 55	-4 90	5 53	-7 45	10 10	18 04
VII Profit/(Loss) for the period (V-VI)	-8 08	-15 04	15 77	-23 12	28 68	51 46
VIII Other Comprehensive Income						
(A) Items that will not be reclassified to profit or loss						
- Remeasurement of defined benefit plans	-	-	-	-	-	-20
- Fair value changes on equity instruments through other comprehensive income	-4	49	8	45	92	105
- Costs of Hedging	-	-12	-15	-12	-13	16
- Income tax relating to items that will not be reclassified to profit or loss	1	-9	2	-8	-20	-25
Subtotal (A)	-3	28	-5	25	59	76
(B) Items that will be reclassified to profit or loss						
- Cash flow hedging reserve	1	3	-	4	-	-4
- Income tax relating to items that will be reclassified to profit or loss	-	-1	-	-1	-	1
Subtotal (B)	1	2	-	3	-	-3
Other Comprehensive Income (A+B) (VIII)	-2	30	-5	28	59	73
IX Total Comprehensive Income for the period (VII+VIII)	-8 10	-14 74	15 72	-22 84	29 27	52 19
X Earnings per equity share(Face value of Rs.10/- each)						
Basic (Rs.) (Quarterly/half yearly figures are not annualized)	-4.91	-9.15	9.59	-14.06	17.44	31.29
Diluted (Rs.) (Quarterly/half yearly figures are not annualized)	-4.91	-9.15	9.59	-14.06	17.44	31.29

See accompanying notes

Muthoot Capital Services Ltd., Registered Office: 3rd Floor, Muthoot Towers, M.G. Road, Kochi - 682035, Kerala, India.

P: +91-484-6619600, 6613450, Email: mail@muthootcap.com, www.muthootcap.com

CIN: L67120KL1994PLC007726



Standalone Unaudited Statement of Assets and Liabilities as at September 30, 2021

(₹ in Lakhs)

Particulars		As at 30.09.2021	As at 30.09.2020	As at 31.03.2021
		(Unaudited)	(Unaudited)	(Audited)
I	ASSETS			
(i)	Financial Assets			
(a)	Cash and cash equivalents	632 75	312 38	540 68
(b)	Bank Balance other than (a) above	69 44	85 34	69 22
(c)	Derivative financial instruments	33	-	-
(d)	Loans	1711 46	2016 71	1871 61
(e)	Investments	22 24	17 17	16 35
(f)	Other Financial assets	10 88	16 66	14 26
(ii)	Non Financial Assets			
(a)	Current tax assets (Net)	16 95	14 08	21 45
(b)	Deferred tax Assets (Net)	46 39	28 02	21 44
(c)	Property, Plant and Equipment	2 20	2 91	2 50
(d)	Intangible assets under development	-	96	-
(e)	Other Intangible assets	22	22	31
(f)	Other non-financial assets	120	1 01	201
	Total Assets	2514 06	2495 46	2559 83
II	LIABILITIES AND EQUITY			
	LIABILITIES			
(i)	Financial Liabilities			
(a)	Derivative financial instruments	-	10	1 41
(b)	Payables:			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	30 65	27 72	22 55
	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Debt Securities	284 28	176 34	285 25
(d)	Borrowings (Other than Debt Securities)	1499 28	1600 93	1539 77
(e)	Deposits	59 96	52 03	53 31
(f)	Subordinated Liabilities	67 59	66 24	66 20
(g)	Other financial liabilities	25 18	27 82	24 04
(ii)	Non-Financial Liabilities			
(a)	Provisions	8 87	5 83	6 06
(b)	Other non-financial liabilities	1 52	1 81	1 67
	Total Liabilities	1977 33	1958 82	2000 26
	EQUITY			
(a)	Equity share capital	16 45	16 45	16 45
(b)	Other equity	520 28	520 19	543 12
	Total Equity	536 73	536 64	559 57
	Total Liabilities & Equity	2514 06	2495 46	2559 83

See accompanying notes

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Standalone Unaudited Statement of Cash Flow for the Half Year Ended September 30,2021

(₹ in Lakhs)

Particulars	Half Year Ended 30.09.2021	Half Year Ended 30.09.2020
	(Unaudited)	(Unaudited)
A. Cash Flow from Operating Activities		
Profit/(Loss) Before Tax	-30 57	38 78
<i>Adjustments to Reconcile Profit Before Tax to Net Cash Flows:</i>		
Depreciation, Amortisation & Impairment	47	63
Asset Written off	-	2
Dividend Income	-3	-
Income from Investments	-32	-41
Net gain on fair value changes	-33	-2
Impairment on financial instruments	81 14	71 88
Finance Cost	79 47	100 29
Operating Profit before Working Capital Changes	129 83	211 17
<i>Adjustments for Net (Increase) / Decrease in Operating Assets:</i>		
Bank Balances other than cash and cash equivalents	-23	27 41
Loans	81 46	339 10
Other Financial Assets	3 18	-42
Derivative Financial Instruments	-1 83	3 16
Other Non Financial Assets	81	19
<i>Adjustments for Net Increase/ (Decrease) in operating liabilities:</i>		
Other Financial Liabilities	1 14	4 44
Trade Payables	8 09	11 66
Other Non Financial Liabilities	-16	-81
Provisions	58	-6 86
Net changes in working capital	93 04	377 87
Cash generated from Operations	222 87	589 04
Finance cost paid	-78 84	-100 78
Direct Taxes paid	-13 10	-6 30
Net cash from / (used) in Operating Activities	130 93	481 96
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets	-8	-27
Increase in Intangible Assets	-	-96
Sale of Fixed Assets	1	-
(Increase) / Decrease in Investments	-5 09	20
Interest on Investments	32	41
Dividend Income	3	-
Net cash from / (used) in Investing Activities	-4 81	-62
C. Cash Flow From Financing Activities		
Net Increase / (Decrease) in Borrowings other than debt securities	-41 45	-639 05
Net Increase/ (Decrease) in Deposits	6 87	8 97
Net Increase / (Decrease) in Debt Securities	-	175 00
Net Increase / (Decrease) in Subordinated liabilities	53	-
Net cash generated from Financing Activities	-34 05	-455 08
D. Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	92 07	26 26
Opening Balance of Cash and Cash Equivalents	540 68	286 12
Closing Balance of Cash and Cash Equivalents	632 75	312 38

See accompanying notes

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Notes:

1. The above standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on October 29, 2021, and October 30, 2021. These financial results have been subjected to limited review by the Statutory Auditors of the company and an unqualified review report has been issued.
2. The above standalone financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015. These financial results may require further adjustments, if any, necessitated by guidelines/clarifications/ directions to be issued in the future by RBI, Ministry of Corporate Affairs or other regulators, which will be implemented as and when the same are made applicable.
3. Consequent to the adoption of Indian Accounting Standards ('Ind AS') as notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015 from April 1, 2019, impairment losses have been determined and recognized under the expected credit loss method as prescribed therein.
4. The COVID-19 pandemic across the world and in India has continued to affect the operations of the company during the current period as well. Although future operations are expected to improve, the company has assessed the probable impact arising from the above, including the impact of the regulatory guidelines issued by Reserve Bank of India relating to restructuring of borrower accounts, in the estimate of provision for impairment loss, and has created an additional estimate provision amounting to Rs 1000 lakhs as at 30th September 2021. The impairment loss/provision recognized in the books of account, which is also higher than the provision required to be maintained under the extant RBI norms, is considered adequate as at the reporting date. However, given the continuing uncertainties associated with the pandemic, the actual impact may vary, which the company will continue to monitor, and make appropriate adjustments, including for any significant changes in loan loss estimates, based on future conditions.
5. The company is engaged primarily in the business of financing and accordingly there are no separate reportable operating segments as per IND AS 108 - Operating Segments.
6. The impact of changes if any arising on enactment of the Code on Social Security 2020 will be assessed by the company after the effective date of the same and the rules thereunder are notified.
7. (a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR. No. BP.BC/3/21.04.048/2020-21, dated August 6, 2020

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Format-A

(Rs. in lakhs except number of accounts)

Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

Format-B

(Rs. in lakhs except number of accounts)

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of previous half year ended March 31,2021 (A) *	Of (A), aggregate debt that slipped into NPA during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of this half year ended September 30,2021 #
Personal loans	-	-	-	-	13,216.29
Corporate Persons	-	-	-	-	-
Of which MSME's	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	13,216.29

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* includes restructuring implemented during the quarter ended June 30,2021 under the Resolution Framework 1.0

This includes cases implemented as per RBI circular for i) Resolution Framework for Covid-19 related Stress dated August 6,2020 & ii) Resolution Framework – 2.0 for Covid-19 related stress of Individuals and Small Businesses dated May 5,2021.

(b) Disclosures pursuant to RBI Notification – RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021

(Rs. in lakhs except number of accounts)

Description	Individual Borrowers		Small Business
	Personal Loans	Business Loans	
(A) Number of requests received for invoking resolution process under Part A	36,793	-	-
(B) Number of accounts where resolution plan has been implemented under this window	36,793	-	-
(C) Exposure to accounts mentioned at (B) before implementation of the plan	12,779.10	-	-
(D) of (C) aggregate amount of debt that was converted into other securities	-	-	-
(E) Additional funding sanctioned, if any including between invocation of the plan and implementation	-	-	-
(F) Increase in provisions on account of the implementation of the resolution plan	1,277.91	-	-

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8. Figures for the previous periods have been regrouped /reclassified, wherever found necessary, to conform to current period presentation.



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October 30, 2021

For and on behalf of the Board of Directors


Thomas George Muthoot

Managing Director

DIN - 00011552


Thomas Muthoot

Director

DIN - 00082099

Independent Auditor's Review Report on Standalone unaudited quarterly and year to date financial Results of the Company Pursuant to the Regulation 33 and 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To The Board of Directors

Muthoot Capital Services Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results of Muthoot Capital Services Limited (“the Company”) for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (“the Statement”). This statement has been prepared by the company pursuant to the requirements of Regulation 33 and Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the ‘Listing Regulations’), read with relevant circulars issued by SEBI.
2. The preparation of this Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (‘Ind AS 34’) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations read with the relevant circulars issued by SEBI, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity.*” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations read with relevant circulars issued by SEBI, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter

We draw attention to Note No.4 to the Statement which describes the impact of the COVID-19 pandemic on the operations and financial position of the company, including the Company's estimate of impairment losses and the continuing uncertainties which may require changes in such estimates in the future.

Our conclusion is not modified in respect of this matter.

For Varma & Varma

Chartered Accountants

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Partner

Place: Kochi

Membership No.214435

Date: October 30,2021

UDIN: 21214435AAABDX5749

Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the half year ended September 30, 2021

Sl No	Particulars	Details Required
1	Debt Equity Ratio	3.57
2	Debt Service Coverage Ratio	Not Applicable, being an NBFC
3	Interest Service Coverage Ratio	Not Applicable, being an NBFC
4	Details of Debenture Redemption Reserve	Not Applicable, being an NBFC 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 the RBI Act, 1934, is not required to create a Debenture Redemption Reserve, in respect of public issue of debentures and debentures issued by it on a private placement basis.
5	Net Worth on 30th September 2021	Rs.536 73 Lakhs
6	Net Profit/(Loss) After Tax	For Quarter Ended 30th September 2021: Rs.(8 08) Lakhs For Half Year Ended 30th September 2021: Rs.(23 12) Lakhs
7	Earnings per Share	For Quarter Ended 30th September 2021- Basic & Diluted EPS: (4.91) (Not Annualized) For Half Year Ended 30th September 2021- Basic & Diluted EPS: (14.06) (Not Annualized)
8	Current Ratio	Not Applicable, being an NBFC
9	Longterm debt to Working Capital	Not Applicable, being an NBFC
10	Bad Debts to Accounts Receivable Ratio	Not Applicable, being an NBFC
11	Current liability Ratio	Not Applicable, being an NBFC
12	Total Debts to Total Assets	0.76
13	Debtors Turnover	Not Applicable, being an NBFC
14	Inventory Turnover	Not Applicable, being an NBFC
15	Operating Margin	Not Applicable, being an NBFC
16	Net Profit/(Loss) Margin	For Quarter Ended 30th September 2021: (8.14%) For Half Year Ended 30th September 2021: (11.73%)
17	Sector Specific Equivalent Ratio, as applicable:	
(A)	Gross NPA	Rs.382 78 Lakhs
(B)	Net NPA(Stage 3 Advance net of Stage 3 Provision)	Rs.192 00 Lakhs
(C)	Advances*	Rs.1965 31 Lakhs
(D)	Advances* net of Stage 3 Provision	Rs.1774 53 Lakhs
(E)	Gross NPA to Advances Ratio (A / C)	19.48%
(F)	Net NPA to Advances net of Stage 3 Provision Ratio (B/D)	10.82%

* Advances net of IndAS Adjustments

B

