



MCSL/SEC/22-23/137

November 10, 2022

**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 and 52 - Unaudited Financial Results along with Limited Review Report for the quarter ended September 30, 2022**

Pursuant to Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the unaudited financial results for the quarter ended September 30, 2022, along with Limited Review Report.

Further, it is intimated that the Board has approved the notice of Postal Ballot for considering the following agenda items:

- A. Review and recommendation of Remuneration to Managing Director in the event of loss or inadequacy of profits for the Financial Year 2021-2022.
- B. Review and recommendation of Remuneration to the Managing Director for a period of three years from FY 2022-23 to FY 2024-25.

It may please be noted that the meeting commenced at 14.00 IST and concluded at 18.00 IST.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

**For Muthoot Capital Services Limited**

**Deepa G  
Compliance Officer**

**Encl:** As above

Statement of Unaudited Financial Results for the Half year ended September 30, 2022

(₹ In lakhs except earnings per share)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I Revenue from operations</b>						
(i) Interest Income	100 68	97 49	92 75	198 17	187 14	372 81
(ii) Dividend Income		2		2	3	3
(iii) Fees and Charges Income	8 02	8 13	5 99	16 15	9 22	23 53
(iv) Net gain on fair value changes	13	34	21	47	33	42
(v) Other Operating Income	87	40	22	127	25	70
<b>Total Revenue From Operations</b>	<b>109 70</b>	<b>106 38</b>	<b>99 17</b>	<b>216 08</b>	<b>196 97</b>	<b>397 49</b>
<b>II Other income</b>	<b>6</b>	<b>5</b>	<b>13</b>	<b>11</b>	<b>21</b>	<b>47</b>
<b>III Total income (I+II)</b>	<b>109 76</b>	<b>106 43</b>	<b>99 30</b>	<b>216 19</b>	<b>197 18</b>	<b>397 96</b>
<b>IV Expenses</b>						
(i) Finance costs	35 04	32 75	39 30	67 79	79 47	149 92
(ii) Impairment on financial instruments	8 93	9 38	30 70	18 31	81 14	324 36
(iii) Employee benefits expenses	15 72	18 20	17 65	33 92	34 07	69 66
(iv) Depreciation, amortisation and impairment	15	14	24	29	47	96
(v) Net loss on fair value changes	-	-	-	-	0	-
(vi) Other expenses	25 51	26 18	22 04	51 69	32 60	82 11
<b>Total expenses (IV)</b>	<b>85 35</b>	<b>86 65</b>	<b>109 93</b>	<b>172 00</b>	<b>227 75</b>	<b>627 01</b>
<b>V Profit/(Loss) before tax (III-IV)</b>	<b>24 41</b>	<b>19 78</b>	<b>-10 63</b>	<b>44 19</b>	<b>-30 57</b>	<b>-229 05</b>
<b>VI Tax expense</b>						
(1) Current tax	-3 69	9 97	7 83	6 28	17 59	28 67
(2) Deferred tax	9 90	-4 92	-10 38	4 98	-25 04	-86 31
(3) Tax Relating to Prior Years	-	-	-	-	-	52
<b>Total tax expenses</b>	<b>6 21</b>	<b>5 05</b>	<b>-2 55</b>	<b>11 26</b>	<b>-7 45</b>	<b>-57 12</b>
<b>VII Profit/(Loss) for the period (V-VI)</b>	<b>18 20</b>	<b>14 73</b>	<b>-8 08</b>	<b>32 93</b>	<b>-23 12</b>	<b>-171 93</b>
<b>VIII Other Comprehensive Income</b>						
(A) Items that will not be reclassified to profit or loss						
- Remeasurement of defined benefit plans	-	-	-	-	-	-7
- Fair value changes on equity instruments through other comprehensive income	10	-55	-4	-45	45	35
- Costs of Hedging	1	1		2	-12	-17
- Income tax relating to items that will not be reclassified to profit or loss	-3	14	1	11	-8	-3
<b>Subtotal (A)</b>	<b>8</b>	<b>-40</b>	<b>-3</b>	<b>-32</b>	<b>25</b>	<b>8</b>
(B) Items that will be reclassified to profit or loss						
- Cash flow hedging reserve	-	-	1	-	4	4
- Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-1	-1
<b>Subtotal (B)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>3</b>	<b>3</b>
<b>Other Comprehensive Income (A+B) (VIII)</b>	<b>8</b>	<b>-40</b>	<b>-2</b>	<b>-32</b>	<b>28</b>	<b>11</b>
<b>IX Total Comprehensive Income for the period (VII+VIII)</b>	<b>18 28</b>	<b>14 33</b>	<b>-8 10</b>	<b>32 61</b>	<b>-22 84</b>	<b>-171 82</b>
<b>X Paid-up equity share capital (Face value of Rs.10)</b>	<b>16 45</b>	<b>16 45</b>	<b>16 45</b>	<b>16 45</b>	<b>16 45</b>	<b>16 45</b>
<b>XI Other equity</b>						<b>371 30</b>
<b>XII Earnings per equity share (Face value of Rs.10/- each)</b>						
Basic (Rs.) (Quarterly/Half Yearly figures are not annualized)	11.06	8.96	-4.91	20.02	-14.06	-104.54
Diluted (Rs.) (Quarterly/Half Yearly figures are not annualized)	11.06	8.96	-4.91	20.02	-14.06	-104.54

See accompanying notes



**Unaudited Statement of Assets and Liabilities as at September 30, 2022**

(₹ in Lakhs)

Particulars		As at	As at
		30.09.2022	31.03.2022
		(Unaudited)	(Audited)
<b>I</b>	<b>ASSETS</b>		
	<b>(i) Financial Assets</b>		
(a)	Cash and cash equivalents	201 40	293 18
(b)	Bank Balance other than (a) above	61 44	42 02
(c)	Derivative financial instruments		11
(d)	Loans	1591 09	1565 49
(e)	Investments	41 87	27 40
(f)	Other Financial assets	16 50	11 44
	<b>(ii) Non Financial Assets</b>		
(a)	Current tax assets (Net)	33 14	23 44
(b)	Deferred tax Assets (Net)	102 85	107 71
(c)	Property, Plant and Equipment	1 61	1 82
(d)	Other Intangible assets	11	14
(e)	Other non-financial assets	2 32	2 18
	<b>Total Assets</b>	<b>2052 33</b>	<b>2074 93</b>
<b>II</b>	<b>LIABILITIES AND EQUITY</b>		
	<b>LIABILITIES</b>		
	<b>(i) Financial Liabilities</b>		
(a)	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	38 41	28 49
(b)	Debt Securities	50 94	154 26
(c)	Borrowings (Other than Debt Securities)	1451 79	1376 49
(d)	Deposits	42 65	59 50
(e)	Subordinated Liabilities	18 87	34 42
(f)	Other financial liabilities	22 67	27 29
	<b>(ii) Non-Financial Liabilities</b>		
(a)	Provisions	3 88	3 60
(b)	Other non-financial liabilities	2 77	3 13
	<b>Total Liabilities</b>	<b>1631 98</b>	<b>1687 18</b>
	<b>EQUITY</b>		
(a)	Equity share capital	16 45	16 45
(b)	Other equity	403 90	371 30
	<b>Total Equity</b>	<b>420 35</b>	<b>387 75</b>
	<b>Total Liabilities &amp; Equity</b>	<b>2052 33</b>	<b>2074 93</b>

See accompanying notes



**Unaudited Statement of Cash Flow for the Half year ended September 30,2022**

(₹ in Lakhs)

Particulars	Half Year Ended 30.09.2022 (Unaudited)	Half Year Ended 30.09.2021 (Unaudited)
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax</b>	44 18	-30 57
<b>Adjustments to Reconcile Profit Before Tax to Net Cash Flows:</b>		
Depreciation, Amortisation & Impairment	29	47
Dividend Income	- 3	- 3
Income from Investments	- 94	- 32
Net gain on fair value changes	- 47	- 33
Impairment on financial instruments	18 31	81 14
Finance Cost	67 80	79 47
<b>Operating Profit before Working Capital Changes</b>	<b>129 14</b>	<b>129 83</b>
<b>Adjustments for Net (Increase) / Decrease in Operating Assets:-</b>		
Bank Balances other than cash and cash equivalents	-19 43	- 23
Loans	-43 08	81 46
Other Financial Assets	-5 89	3 18
Derivative Financial Instruments	14	-1 83
Other Non Financial Assets	- 14	81
<b>Adjustments for Net Increase/ (Decrease) in operating liabilities-</b>		
Other Financial Liabilities	-4 62	1 14
Trade Payables	9 93	8 09
Other non financial liabilities	- 36	- 16
Provisions	28	58
<b>Net changes in working capital</b>	<b>-63 17</b>	<b>93 04</b>
<b>Cash generated from Operations</b>	<b>65 97</b>	<b>222 87</b>
Finance cost paid	-70 62	-78 84
Direct Taxes paid	-15 98	-13 10
<b>Net cash from / (used) in Operating Activities</b>	<b>-20 63</b>	<b>130 93</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	- 6	- 8
Sale of Fixed Assets	1	1
(Increase) / Decrease in Investment	-14 43	-5 09
Interest on Investments	91	32
Dividend Income	3	3
<b>Net cash from / (used) in Investing Activities</b>	<b>-13 54</b>	<b>-4 81</b>
<b>C. Cash Flow From Financing Activities</b>		
Net Increase / ( Decrease) in Borrowings other than debt securities	74 59	-41 45
Net Increase/ ( Decrease) in Deposits	-16 20	6 87
Net Increase / (Decrease) in Debt Securities	-100 00	
Net Increase / (Decrease) in Subordinated liabilities	-15 99	53
<b>Net cash generated from Financing Activities</b>	<b>-57 60</b>	<b>-34 05</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>-91 77</b>	<b>92 07</b>
Opening Balance of Cash and Cash Equivalents	293 17	540 68
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>201 40</b>	<b>632 75</b>

See accompanying notes



**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 respective meetings held on November 10, 2022. These financial results are reviewed by the Statutory Auditors of the company and an unqualified review report has been issued.
2. The above 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.
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 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.
5. 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.
6. Figures for the previous periods have been regrouped /reclassified, wherever found necessary, to conform to current period presentation.
7. Company is carrying additional management overlay of Rs. 21,299 Lakhs in view of macro-economic conditions and compliance requirements. The above additional management overlay is in addition to impairment provision as per ECL model.
8. All the secured non-convertible debentures of the Company are fully secured by pari-passu charge on future receivables under Loan contracts. Further, the Company in respect of secured listed non-convertible debt securities maintains 100% security cover or higher security cover as per the terms of Term Sheet sufficient to discharge the principal amount and the interest thereon.
9. 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	48.45	-	-

10. Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021

a) Details of transfer through securitization in respect of loans not in default during the quarter ended 30 Sept 2022.

Entity	Indigo 005	Nimbus 2022 2W Arrowtown	Plutus 09 2022
Count of Loan accounts acquired (nos.)	18 223	16 460	25 974
Amount of loan account acquired (in crs.)	81.74	92.22	111.25
Retention of Beneficial economic interest (OC) (%)	9.00%	7.50%	8.49%
Weighted average maturity (residual maturity)	1.65 Years	1.94 Years	1.51 Years
Weighted average holding period	11.26 Months	8.88 Months	5.75 Months
Coverage of tangible security coverage	100%	100%	100%
Rating wise distribution of acquired loans	CRISIL AA (SO)	CRISIL AA (SO)	CRISIL AA (SO) & CRISIL A+ (SO)



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November 10, 2022

For Muthoot Capital Services Limited

  
Thomas George Muthoot  
Managing Director

DIN - 00011552

  
Thomas Muthoot  
Director

DIN - 00082099

**Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the Quarter ended September 30, 2022.**

SL No	Particulars	Details Required
1	Debt Equity Ratio	3.73
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 Sept 2022	Rs.420 35 Lakhs
6	Net Profit/(Loss) After Tax	For Quarter Ended 30th September 2022 -Rs.18 19 Lakhs For Half year Ended 30th September 2022 Rs.32 93 Lakhs For the Year Ended 31st March 2022 Rs.(171 93) Lakhs
7	Earnings per Share	For Quarter Ended 30th September 2022- Basic & Diluted EPS 11.06 (Not Annualized) For Half year Ended 30th September 2022- Basic & Diluted EPS 20.02 (Not Annualized) For the Period Ended 31st March 2022- Basic & Diluted EPS (104.54) (Not Annualized)
8	Current Ratio	Not Applicable, being an NBFC
9	Long-term 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 2022 16.58% For Half year Ended 30th September 2022 15.23% For the Year Ended 31st March 2022 (43.05%)
17	Sector Specific Equivalent Ratio,as applicable:	
(A)	Gross NPA	Rs.480 13 Lakhs
(B)	Net NPA	Rs.72 86 Lakhs
(C)	Advances*	Rs.2036 32 Lakhs
(D)	Advances* net of Provision	Rs.1629 05 Lakhs
(E)	Gross NPA to Advances Ratio (A / C)	23.58%
(F)	Net NPA to Advances net of Stage 3 Provision Ratio (B/D)	4.47%



## Independent Auditor's Review Report on review of Interim Financial Results

### To the Board of Directors of Muthoot Capital Services Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Muthoot Capital Services Limited** (the "Company"), for the quarter and half year ended 30<sup>th</sup> September 2022 ("the Statement"), being submitted by the company pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with relevant circulars issued by SEBI ("Listing Obligations").

### Management's Responsibility

2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Listing Obligations.

### Auditor's Responsibility

3. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### Conclusion

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with

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(REGISTRATION NO WITH ICAI IS 003990S/S200018)



Regulation 63(2) of the Listing Obligations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

### Emphasis of Matter

5. We draw attention to Note 7 to the Financial results which describes the management overlay being carried by the company considering macro-economic factors and compliance requirements.

Our conclusion is not modified in respect of this matter

### Other Matter

6. Figures for the quarter and half year ended 30<sup>th</sup> September 2021 have been reviewed by previous auditors on which they have issued unmodified conclusion vide their report dated October 30, 2021.

Our conclusion is not modified in respect of this matter

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018

*K VNSS Viswanadh*

**Viswanadh VNSS Kuchi**

Partner

M No: 210789

Place: Hyderabad

Date: 10<sup>th</sup> November 2022

UDIN No: *22210789BC TKEI 1872*



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