



MCSL/SEC/21-22/145

February 02, 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 & 52 - Unaudited Financial Results with Limited Review Report for the quarter and nine months ended December 31, 2021**

Pursuant to Regulation 33 & 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the unaudited financial results for the quarter and nine months ended December 31, 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 3.20 P.M. IST.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

**For Muthoot Capital Services Limited**

**Abhijith  
Jayan**

Digitally signed by  
Abhijith Jayan  
Date: 2022.02.02  
15:26:37 +05'30'

**Abhijith Jayan  
Company Secretary & Compliance Officer**

**Encl: As above**

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2021

(₹ In lakhs except earnings per share)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I Revenue from operations</b>						
(i) Interest Income	92 90	98 96	120 18	289 51	394 81	503 88
(ii) Dividend Income	-	-	-	3	-	-
(iii) Net gain on fair value changes	5	21	12	38	14	26
<b>Total Revenue From Operations</b>	<b>92 95</b>	<b>99 17</b>	<b>120 30</b>	<b>289 92</b>	<b>394 95</b>	<b>504 14</b>
<b>II Other income</b>	<b>6</b>	<b>13</b>	<b>43</b>	<b>27</b>	<b>50</b>	<b>90</b>
<b>III Total income (I+II)</b>	<b>93 01</b>	<b>99 30</b>	<b>120 73</b>	<b>290 19</b>	<b>395 45</b>	<b>505 04</b>
<b>IV Expenses</b>						
(i) Finance costs	36 32	39 30	44 86	115 79	145 15	187 05
(ii) Impairment on financial instruments	7 30	30 70	11 67	88 44	83 55	94 79
(iii) Employee benefits expenses	17 70	17 65	17 48	51 77	53 24	69 28
(iv) Depreciation, amortisation and impairment	24	24	33	71	96	1 30
(v) Net loss on fair value changes	-	-	-	-	-	-
(vi) Other expenses	25 38	22 04	27 81	57 98	55 19	83 12
<b>Total expenses (IV)</b>	<b>86 94</b>	<b>109 93</b>	<b>102 15</b>	<b>314 69</b>	<b>338 09</b>	<b>435 54</b>
<b>V Profit/(Loss) before tax (III-IV)</b>	<b>6 07</b>	<b>-10 63</b>	<b>18 58</b>	<b>-24 50</b>	<b>57 36</b>	<b>69 50</b>
<b>VI Tax expense</b>						
(1) Current tax	11 46	7 83	1	29 05	11 22	16 20
(2) Deferred tax	-9 81	-10 38	4 84	-34 85	3 73	5 42
(3) Tax Relating to Prior Years	-	-	-	-	-	-
<b>Total tax expenses</b>	<b>1 65</b>	<b>-2 55</b>	<b>4 85</b>	<b>-5 80</b>	<b>14 95</b>	<b>18 04</b>
<b>VII Profit/(Loss) for the period (V-VI)</b>	<b>4 42</b>	<b>-8 08</b>	<b>13 73</b>	<b>-18 70</b>	<b>42 41</b>	<b>51 46</b>
<b>VIII Other Comprehensive Income</b>						
(A) Items that will not be reclassified to profit or loss						
- Remeasurement of defined benefit plans	-	-	-	-	-	-
- Fair value changes on equity instruments through other comprehensive income*	14	-4	14	59	1 06	1 05
- Costs of Hedging	-	-	-	-	-	-
- Income tax relating to items that will not be reclassified to profit or loss	-4	1	-9	-12	10	16
<b>Subtotal (A)</b>	<b>10</b>	<b>-3</b>	<b>28</b>	<b>35</b>	<b>87</b>	<b>76</b>
(B) Items that will be reclassified to profit or loss						
- Cash flow hedging reserve	-	-	-	-	-	-
- Income tax relating to items that will be reclassified to profit or loss	-	1	-	4	-	-4
<b>Subtotal (B)</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-3</b>
<b>Other Comprehensive Income (A+B) (VIII)</b>	<b>10</b>	<b>-2</b>	<b>28</b>	<b>38</b>	<b>87</b>	<b>73</b>
<b>IX Total Comprehensive Income for the period (VII+VIII)</b>	<b>4 52</b>	<b>-8 10</b>	<b>14 01</b>	<b>-18 32</b>	<b>43 28</b>	<b>52 19</b>
<b>X Earnings per equity share(Face value of Rs.10/- each)</b>						
Basic (Rs.) (Quarterly/nine months ended figures are not annualized)	2.68	-4.91	8.35	-11.37	25.79	31.29
Diluted (Rs.) (Quarterly/nine months ended figures are not annualized)	2.68	-4.91	8.35	-11.37	25.79	31.29

See accompanying notes



**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 February 01, 2022, and February 02, 2022. 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.
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. Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", Company has complied with requirements of day wise identification of SMA/NPA, and upgradation of accounts classified as NPAs.
5. While the Company has classified the NPAs based on above-mentioned RBI Circular of November 12, 2021, the Company has continued to make provisions based on the ECL norms as has been consistently followed. Based on the same, there is no incremental impact on the Company's impairment provision as it continues to maintain provisioning based on stage-wise ECL model.
6. 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 management overlay amounting to Rs 1,200 lakhs as of 31 December 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.
7. 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.



8. 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.
9. Figures for the previous periods have been regrouped /reclassified, wherever found necessary, to conform to current period presentation.
10. 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	2,098.71	-	-

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

*[Handwritten Signature]*



- a) Details of transfer through securitization in respect of loans not in default during the nine months ended 31 December 2021.

Entity	HDFC - Mutual Fund and MCSL (Jude 08 2021)
Count of Loan accounts acquired (nos.)	32,588
Amount of loan account acquired (in crs.)	110.19
Retention of Beneficial economic interest(MRR) (%)	9.89%
Weighted average maturity (residual maturity)	1.38 Years
Weighted average holding period	10.58 months
Coverage of tangible security coverage	100%
Rating wise distribution of acquired loans	Series A1(a) PTCs - AAA Series A1(b) PTCs - AA+ Series A2 PTCs - A+

- b) Details of acquisition through assignment in respect of loans not in default during the nine months ended 31 December 2021.

Entity	UP MONEY LIMITED
Count of Loan accounts acquired (nos.)	2503
Amount of loan account acquired (in crs.)	6.98
Retention of Beneficial economic interest(MRR) (%)	10%
Weighted average maturity (residual maturity)	19.35 MONTHS
Weighted average holding period	12.59 MONTHS
Coverage of tangible security coverage	100%
Rating wise distribution of acquired loans	UNRATED

**For Muthoot Capital Services Limited**

Kochi

February 2,2022

  
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 nine months ended December 31, 2021.**

SL No	Particulars	Details Required
1	Debt Equity Ratio	3.16
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 31st December 2021	Rs.541 24 Lakhs
6	Net Profit/(Loss) After Tax	For Quarter Ended 31st December 2021 Rs.4 42 Lakhs For the Period Ended 31st December 2021 Rs.(18 70) Lakhs
7	Earnings per Share	For Quarter Ended 31st December 2021- Basic & Diluted EPS 2.68 (Not Annualized) For the Period Ended 31st December 2021- Basic & Diluted EPS (11.37) (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	0.74
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 31st December 2021 4.75% For the Period Ended 31st December 2021 (6.45%)
17	Sector Specific Equivalent Ratio, as applicable:	
(A)	Gross NPA	Rs.558 96 Lakhs

*[Handwritten Signature]*



(B)	Net NPA	Rs.354 06 Lakhs
(C)	Advances*	Rs.1997 90 Lakhs
(D)	Advances* net of S3 Provision	Rs.1793 00 Lakhs
(E)	Gross NPA to Advances Ratio (A / C)	27.98%
(F)	Net NPA to Advances net of Stage 3 Provision Ratio (B/D)	19.75%

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

**To the Board of Directors of 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 and nine months ended 31<sup>st</sup> December 2021 ("the Statement"), being submitted by the company pursuant to Regulation 33 and Regulation 52 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 applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 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 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.

Road No.8, 5th Floor, 8-2-577/B/5F, Maas Heights, Banjara Hills, Hyderabad – 500034 Telangana Ph: 040 48532743 / 48533743

Head Office/Registered Office: 91/92, VII Floor, Dr. Radhakrishnan Road, Mylapore, Chennai, 600004, India • Tel.: +91 44 2811 2985 – 88 Fax.: +91 44 2811 2989 • Email: sands@pkfindia.in • Web: www.pkfindia.in

PKF SRIDHAR & SANTHANAM LLP is a registered Limited Liability Partnership with LLPIN AAB-6552 (REGISTRATION NO. WITH ICAI IS 003990S/S200018)

## **PKF SRIDHAR & SANTHANAM LLP**

Chartered Accountants

### **Other Matter**

6. Figures for the quarters ended 30<sup>th</sup> September 2021, 31<sup>st</sup> December 2020, Half year ended 30<sup>th</sup> September 2021, nine months ended 31<sup>st</sup> December 2020 and year ended 31<sup>st</sup> March 2021 have been reviewed / audited by previous auditors on which they have issued unmodified conclusion/ opinion.

Our conclusion is not modified in respect of the said matter.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018

KUCHI VENKATA  
NAGA SAI SATYA  
VISWANADH

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VISWANADH  
Date: 2022.02.02 15:28:03 +05'30'

**Viswanadh VNSS Kuchi**

Partner

M No: 210789

Place: Hyderabad

Date: 02<sup>nd</sup> February 2022

UDIN No: 22210789AAAAAD2894

Road No.8, 5th Floor, 8-2-577/B/5F, Maas Heights, Banjara Hills, Hyderabad – 500034 Telangana Ph: 040 48532743 / 48533743

Head Office/Registered Office: 91/92, VII Floor, Dr. Radhakrishnan Road, Mylapore, Chennai, 600004, India • Tel.: +91 44 2811 2985 – 88 Fax.: +91 44 2811 2989 • Email: sands@pkfindia.in • Web: www.pkfindia.in

PKF SRIDHAR & SANTHANAM LLP is a registered Limited Liability Partnership with LLPIN AAB-6552 (REGISTRATION NO. WITH ICAI IS 003990S/S200018)