



MCSL/SEC/19-20/176

January 25, 2020

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 nine months ended December 31, 2019

Pursuant to Regulation 33 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, 2019 along with Limited Review Report.

It may please be noted that the meeting was commenced at 12.00 noon and concluded at 3.30 p.m.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

For Muthoot Capital Services Limited

Abhijith Jayan
Digitally signed
by Abhijith Jayan
Date: 2020.01.25
15:22:35 +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, 2019

(₹ In lakhs except earnings per share)

Particulars		Quarter Ended			Nine Months Ended	
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
I	Revenue from operations					
(i)	Interest Income	150 55	144 86	131 01	432 76	369 42
(ii)	Dividend Income	-	-	-	1	-
(iii)	Net gain on fair value changes	14	10	10	33	34
(iv)	Net gain on derecognition of financial instruments under amortised cost category	-	-	4 07	6 49	11 48
	Total Revenue From Operations	150 69	144 96	135 18	439 59	381 24
II	Other income	18	6	-	28	10
III	Total income (I+II)	150 87	145 02	135 18	439 87	381 34
IV	Expenses					
(i)	Finance costs	57 95	57 91	46 43	171 51	130 31
(ii)	Impairment on financial instruments	15 59	15 65	8 09	48 21	37 53
(iii)	Employee benefit expenses	23 20	22 31	20 07	67 02	56 80
(iv)	Depreciation, amortization and impairment	42	40	29	1 16	76
(v)	Other expenses	28 18	26 21	22 36	77 02	57 81
	Total Expenses (IV)	125 34	122 48	97 24	364 92	283 21
V	Profit Before Tax (III-IV)	25 53	22 54	37 94	74 95	98 13
VI	Tax expense					
(i)	Current tax	5 73	5 51	14 32	20 49	41 04
(ii)	Deferred tax	85	2 98	- 95	7 88	- 6 40
(iii)	Taxes relating to prior years	-	-	3	-	2
	Total Tax Expenses	6 58	8 49	13 40	28 37	34 66
VII	Profit for the period (V-VI)	18 95	14 05	24 54	46 58	63 47
VIII	Other Comprehensive Income					
	(A) Items that will not be reclassified to profit or loss					
	- Fair value changes on equity instruments through other comprehensive Income	-	5	21	13	17
	- Costs of Hedging	4	- 10	-	- 6	-
	- Income tax relating to items that will not be reclassified to profit or loss	-	- 2	- 7	- 3	- 6
	Subtotal (A)	4	- 7	14	4	11
	(B) Items that will be reclassified to profit or loss					
	-Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Subtotal (B)	-	-	-	-	-
	Other Comprehensive Income (A + B) (VIII)	4	- 7	14	4	11
IX	Total Comprehensive Income for the period (VII+VIII)	18 99	13 98	24 68	46 62	63 58
X	Earnings per equity share(Face value of Rs. 10/- each)					
	Basic (Rs.)(not annualized)	11.52	8.54	14.92	28.32	38.59
	Diluted (Rs.)(not annualized)	11.52	8.54	14.92	28.32	38.59

See accompanying notes to the Financial Results.



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

CIN: L67120KL1994PLC007726



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 25/01/2020.
2. The company has adopted 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. The financial results together with the results for the comparative reporting period of the company have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS-34 – Interim Financial Reporting. The effective date of transition to Ind AS is April 1, 2018 and the same has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules of Companies (Accounts) Rules 2014, guidelines issued by the Reserve Bank of India ('the RBI') and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP').

The impact of above transition has been recorded in the opening reserves as at April 1, 2018 and the corresponding figures pertaining to comparative previous period as presented in these financial results have been restated/reclassified in order to conform to current period presentation.

These financial results may require further adjustments, if any, necessitated by guidelines/clarifications/ directions issued in the future by RBI, Ministry of Corporate Affairs or other regulators, which will be implemented as and when the same are issued/ made applicable.

The financial statements have been presented in accordance with format prescribed for Non-Banking Finance Companies under the Companies (Indian Accounting Standards) Rules, 2015 in Division III of Schedule III as per Notification No G.S.R. 1022(E) dated 11.10.2018, issued by Ministry of Corporate Affairs, Government of India.

3. The company has opted to avail the relaxations provided by the Securities and Exchange Board of India (SEBI) vide Circular No: CIR/CFD/FAC/62/2016 dated July 5, 2016 as available to listed entities for submission of Ind AS compliant financial results for the previous year ended March 31, 2019 and hence has provided Ind AS compliant financial results only for the previous quarter and nine months ended December 31, 2018 along with the financial results for the quarter ended December 31, 2019 and September 30, 2019.
4. Pursuant to their inspection for the year ended 31st March 2019, Reserve Bank of India (RBI) has directed the company to refund the amounts additionally collected from borrowers as processing fee under a scheme which provides for arranging life coverage for such borrowers through an umbrella insurance policy held in the Company's name, to the extent the said amounts were in excess of the actual premiums paid by the Company. The company is in the process of filing a representation before RBI providing justification for collection of these charges and seeking withdrawal of the directive. No liability is anticipated by the company towards the same.
5. Reconciliation of Net Profit reported under Previous GAAP and Ind AS for the previous quarter and nine months ended December 31, 2018 (as per requirements of Para 32 of Ind AS 101) is as under:



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Particulars	Quarter ended December 31, 2018 (Rs in Lakhs)	Nine months ended December 31, 2018 (Rs in Lakhs)
Net profit after tax reported under previous GAAP	2330	6407
Adjustments increasing/(decreasing) net profit after tax as reported in the previous GAAP:		
Impact on application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	429	45
Amortisation of net income under Effective Interest Rate method for financial assets	68	-214
Amortisation of expenses under Effective Interest Rate method for financial liabilities	66	168
Net gain/(loss) on change in Fair Value of Investments	1	3
Accrual of Excess Interest spread on Securitized assets	-257	253
Reversal of net service income on assignment transactions	-117	-348
Tax adjustments on above items	-66	33
Net Profit after tax reported under Ind AS	2454	6347
Other Comprehensive Income / Loss (Net of Tax)	14	11
Total Comprehensive Income (after tax) as reported under Ind AS	2468	6358

6. The company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per IND AS 108 dealing with Operating Segments.

For and on behalf of the Board of Directors

Kochi
25 January, 2020

Thomas George Muthoot
Managing Director
DIN - 00011552

Thomas Muthoot
Director
DIN - 00082099



Limited Review Report

The Board of Directors

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 nine months ended 31st December 2019 ("the Statement"). This statement has been prepared by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (the 'Listing Regulation'), modified by circular no. CIR/CFD/FAC/62/2016 dated July 05, 2016 read with SEBI Circular No CIR/CFD/CMD1/44/2019 dated March 29 2019 ('the Circulars').
2. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review 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, i.e. Ind AS prescribed under Section 133



of the Companies Act, 2013, as amended, 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 Regulation, read with the Circulars, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to Note No.4 to the accompanying statement of financial results which states as under:

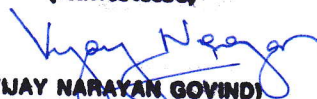
Pursuant to their inspection for the year ended 31st March 2019, Reserve Bank of India (RBI) has directed the company to refund the amounts additionally collected from borrowers as processing fee under a scheme which provides for arranging life coverage for such borrowers through an umbrella insurance policy held in the Company's name, to the extent the said amounts were in excess of the actual premiums paid by the Company. The company is in the process of filing a representation before RBI providing justification for collection of these charges and seeking withdrawal of the directive. No liability is anticipated by the company towards the same.

Our conclusion is not modified in respect of this matter.

Place: Kochi-19

Date: 25/01/2020

For VARMA & VARMA
(FRN:0045325)


(VINAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Membership No. 203094

LIDIN : 20203094 AAAAAC9191