



To,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sir/Madam,

Sub: Regulation 52- Audited Financial Results with Auditors Report for the year ended 31st March 2021

Pursuant to Regulation 52 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Audited financial results under Ind AS along with Auditors Report for the year ended 31st March 2021.

Kindly take the same on record

Thanking you,

Yours faithfully,

For Muthoot Microfin Ltd

PRAVEEN
THOROPPADY
Praveen T
Chief Financial Officer

Digitaly signed by PRAVEEN T THOROPPADY
on 03/06/2021 at 12:00:00 PM
by MUTHOOT MICROFIN LTD
Certificate Serial Number: 12345678901234567890
Certificate Issued On: 03/06/2021 12:00:00 PM
Certificate Validity: 12/06/2021 12:00:00 PM

Place: Ernakulam

Date: 03/06/2021

MUTHOOT MICROFIN LIMITED

CIN: U65190MH1992PLC066228

Regd. Office: 13th Floor, Parinee Crescenzo, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051

Administrative Office: 5th Floor, Muthoot Towers, M.G. Road, Kochi, Kerala - 682035 Tel: +91-484-4277500, F: +91-484-2351494 E: info@muthootmicrofin.com

www.muthootmicrofin.com

Muthoot Microfin Limited

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Statement of financial results for the 6 months and year ended 31 March 2021

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	6 months ended 31 March 2021	6 months ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
	Unaudited (Refer Note 12)	Unaudited (Refer Note 12)	Audited	Audited
Revenue from operations				
Interest income	33,509.01	34,503.53	62,097.57	60,839.13
Fees and commission income	157.12	422.16	321.15	947.93
Net gain on fair value changes	4,273.28	8,932.44	4,273.28	21,628.42
Income on investments	405.63	1,460.64	1,699.52	2,561.70
Sale of services	15.54	27.08	25.15	44.37
Total revenue from operations	38,360.58	45,345.85	68,416.67	86,021.55
Other income	788.15	610.95	1,211.46	651.75
Total income	39,148.73	45,956.80	69,628.13	86,673.30
Expenses				
Finance costs	14,553.35	15,404.29	29,932.80	29,067.28
Fees and commission expenses	677.98	869.88	973.64	1,442.49
Impairment on financial instruments	6,423.19	16,456.39	13,141.45	27,200.89
Employee benefit expenses	11,377.90	10,574.89	18,688.08	19,691.93
Depreciation and amortisation expense	961.55	718.71	1,883.34	1,370.90
Other expenses	1,646.96	3,040.44	4,103.32	5,930.10
Total expenses	35,640.93	47,064.60	68,722.63	84,703.59
Profit / (loss) before tax for the period / year	3,507.80	(1,107.80)	905.50	1,969.71
Tax expense				
Current tax	3,472.89	1,424.89	3,472.89	1,863.32
Deferred tax	(2,556.12)	(1,566.96)	(3,177.16)	(1,695.49)
Tax relating to prior years	(95.63)	(18.68)	(95.63)	(18.68)
Total tax expense	821.14	(160.75)	200.10	149.15
Profit / (loss) for the period / year	2,686.66	(947.05)	705.40	1,820.56
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurement of the net defined benefit liability / asset	(37.73)	(70.67)	(81.36)	(277.77)
Income tax relating to items that will not be reclassified to profit or loss	9.50	17.78	20.48	69.91
Items that will be reclassified to profit or loss				
Remeasurement of financial assets carried at fair value through OCI	(6,121.93)	3,378.22	(3,174.60)	593.62
Income tax relating to items that will be reclassified to profit or loss	1,540.89	(850.23)	799.05	(149.38)
Other comprehensive income / (loss), net of tax	(4,609.27)	2,475.10	(2,436.43)	236.38
Total comprehensive income / (loss) for the period / year	(1,922.61)	1,528.05	(1,731.03)	2,056.94
Paid-up equity share capital (face value of ₹ 10 each)	11,417.05	11,417.05	11,417.05	11,417.05
Reserves (excluding revaluation reserves)	Not Applicable	Not Applicable	77,571.93	79,282.18
Analytical Ratios				
Debt equity ratio	2.55	1.72	2.55	1.72
Networth	88,988.98	90,699.23	88,988.98	90,699.23
Earnings per share (not annualized for half year)				
Basic (₹)	2.35	(0.83)	0.62	1.59
Diluted (₹)	2.35	(0.83)	0.62	1.59
Par value of equity shares (₹)	10.00	10.00	10.00	10.00

See accompanying notes to financial results



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Statement of assets and liabilities as at 31 March 2021

(All amounts are in Lakhs, unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
	Audited	Audited
Assets		
Financial assets		
Cash and cash equivalents	51,907.57	118,129.25
Bank balances other than cash and cash equivalents	22,590.27	17,895.29
Receivables		
Other receivables	929.24	1,104.44
Loans	329,545.68	256,380.14
Investments	4.50	-
Other financial assets	238.48	233.24
	405,215.74	393,742.36
Non-financial assets		
Current tax assets (net)	941.45	3,795.19
Deferred tax asset (net)	1,003.52	-
Property, plant and equipment	3,984.40	3,686.70
Right of use assets	7,001.60	7,205.01
Other intangible assets	12.51	18.23
Other non-financial assets	368.14	716.97
	13,311.62	15,422.10
Total assets	418,527.36	409,164.46
Liabilities and equity		
Liabilities		
Financial liabilities		
Payables		
Other payables		
total outstanding dues of micro enterprises and small enterprises	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	270.90	368.05
Debt securities	45,246.92	21,449.06
Borrowings (other than debt securities)	253,822.64	268,193.07
Subordinated liabilities	2,496.26	2,492.77
Lease liabilities	7,798.92	7,581.84
Other financial liabilities	19,049.66	14,519.39
	328,685.30	314,604.18
Non-financial liabilities		
Deferred tax liabilities (net)	-	2,993.18
Provisions	463.84	508.89
Other non-financial liabilities	389.24	358.98
	853.08	3,861.05
Equity		
Equity share capital	11,417.05	11,417.05
Other equity	77,571.93	79,282.18
	88,988.98	90,699.23
Total liabilities and equity	418,527.36	409,164.46

See accompanying notes to financial results



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Notes to financial results as at 31 March 2021

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of Muthoot Microfin Limited at their respective meetings held on 2 June 2021 and 3 June 2021.
- 2 The financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- 3 The above financial results have been audited by the statutory auditors of the Company as required under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- 4 The Company is primarily engaged in the business of financing and as such no separate information is required to be furnished in terms of Ind AS 108 "Operating Segments" specified under section 133 of the Companies Act, 2013.
- 5 The outbreak of COVID-19 pandemic continues to have a significant impact and volatility in the global and domestic economies resulting in decrease in economic activities. Increase in infection rate and various lockdowns / movement restrictions announced by the Central Government and various State Governments in India and the outbreak of current "second wave" of the pandemic may further slowdown the economic activity. The extent to which the same may impact the Company's operations and financial position remain uncertain and is dependent on several factors including measures initiated by the Government to mitigate the impact as well as regulatory measures notified by the Reserve Bank of India ("RBI"). There is stress on collection of dues from customers, however the Company is closely monitoring the collection efficiency and will undertake additional steps if the efficiency levels breach the current level. The Company's management continues to closely monitor the day-to-day operations, business, and liquidity position as well as adequacy of capital.

Further, pursuant to RBI circulars DOR. No. BP.BC.47/21.04.048/2019-20 and DOR. No. BP.BC.71/21.04.048/2019-20 (COVID-19 - Regulatory Package) dated 27 March 2020 and 23 May 2020 allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between 1 March 2020 and 31 August 2020, the Company granted moratorium to all its borrowers in accordance with its Board approved policy. For such accounts, where the moratorium was granted, the asset / stage-wise classification remained stand still during the moratorium period. (i.e., the number of days past due excluded the moratorium period for the purposes of asset / stage-wise classification). RBI has issued directions DOR.No. BP.BC/3/21.04.048/2020-21 on resolution framework Covid-19 – related stress dated 6 August 2020 and in accordance therewith, the Company has not done any restructuring on the loans.

Considering the widespread impact of COVID-19 pandemic, the Company has estimated and recognised sufficient provision for expected credit loss as on 31 March 2021, based on the information available now to reflect, among other things, the deterioration in the macro economic factors. These estimates are based on indicators, subject to uncertainty and may be affected by the severity and duration of the pandemic and the actual impact of the pandemic, including governmental and regulatory measures, on the business and financial metrics of the Company could be different from that estimated by the Company. The Company has sufficient funds and sanctioned credit facilities which are adequate to fulfil its obligations as and when these become due in the foreseeable future.

- 6 To streamline the collection process in the pandemic situation, the Company has initiated an App for customers to foster themselves with more information about various products, to view loan statement and to make remittance through the App. Further the Company has introduced digital payment option to enable customers to make the remittance online. 3.49 Lakh customers have installed the App and 1.73 Lakh customers have activated to make the remittance in digital mode. The Company has demonstrated improvement in collection efficiency in Q4 with 93% and 96% in the month of March 2021.

The Company has taken all possible measures to safeguard and protect its employee's health and their life by providing adequate preventive measures to avoid contracting COVID-19 and by extending insurance protection. The Company has also taken initiatives for vaccination for its employees.

The Company will continue to monitor any material changes to future economic conditions.

- 7 The Company has made loan loss provision based on the expected credit loss method as per Ind AS 109 "Financial Instruments". Further based on specific identification method, the Company has prudently written off certain non-performing advances amounting to ₹ 11,113.77 lakhs (including waiver of interest). In the opinion of the management any recovery from these advances are uncertain.
- 8 The business model of the company under Ind AS 109 "Financial Instruments" continues to be 'hold to collect and sell' and consequently the financial assets have been fair valued through other comprehensive income as on 31 March 2021.



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Notes to financial results as at 31 March 2021

9 Details of credit ratings assigned by various credit rating agencies

Rating agency	Instrument	Rating
CRISIL	Non convertible debentures	CRISIL A / Stable
	Commercial paper	CRISIL A1
	Long term bank	CRISIL A / Stable (Reaffirmed)
	MFI rating	M1CI
India Ratings and Research (Ind - Ra)	Non convertible debentures	IND A - Stable

10 Details of secured non-convertible debentures and unsecured subordinated debt are as follows :

(A) Details of previous due date for the repayment of principal and interest as at 31 March 2021 :

ISIN	Description	Previous repayment date	Principal amount	Interest amount
INE046W07073	Blue Orchard NCD I	28-Apr-20	-	40,068,621
INE046W07073	Blue Orchard NCD I	27-Oct-20	-	40,250,000
INE046W07099	Blue Orchard NCD III	17-Sep-20	-	41,475,410
INE046W07099	Blue Orchard NCD III	18-Mar-21	-	41,774,436
INE046W07065	Blue Orchard NCD IV	27-May-20	-	39,702,874
INE046W07065	Blue Orchard NCD IV	27-Nov-20	-	40,118,033
INE046W07081	Punjab National Bank NCD	11-Feb-21	-	11,842,466
INE046W07081	Indian Bank NCD	11-Feb-21	-	47,369,863
NA	IFMR subordinated debt	28-Apr-20	-	2,731,164
NA	IFMR subordinated debt	28-May-20	-	2,825,342
NA	IFMR subordinated debt	29-Jun-20	-	3,013,699
NA	IFMR subordinated debt	28-Jul-20	-	2,731,164
NA	IFMR subordinated debt	28-Aug-20	-	2,919,521
NA	IFMR subordinated debt	28-Sep-20	-	2,919,521
NA	IFMR subordinated debt	28-Oct-20	-	2,825,342
NA	IFMR subordinated debt	30-Nov-20	-	3,107,877
NA	IFMR subordinated debt	28-Dec-20	-	2,636,986
NA	IFMR subordinated debt	28-Jan-21	-	2,919,521
NA	IFMR subordinated debt	1-Mar-21	-	3,013,699
NA	IFMR subordinated debt	29-Mar-21	-	2,636,986

(B) Details of next due date for the repayment of principal and interest as at 31 March 2021:

ISIN	Description	Repayment date	Principal amount	Interest amount
INE046W07073	Blue Orchard NCD I	28-Apr-21	-	40,100,558
INE046W07073	Blue Orchard NCD I	28-Oct-21	700,000,000	40,360,274
INE046W07099	Blue Orchard NCD III	20-Sep-21	-	42,534,247
INE046W07099	Blue Orchard NCD III	21-Mar-22	-	41,840,753
INE046W07065	Blue Orchard NCD IV	27-May-21	-	39,551,148
INE046W07065	Blue Orchard NCD IV	27-Nov-21	-	40,227,945
INE046W07115	Blue Orchard NCD V	25-May-21	-	25,424,970
INE046W07115	Blue Orchard NCD V	26-Nov-21	-	25,860,822
INE046W07081	Punjab National Bank NCD	13-Aug-21	-	11,907,534
INE046W07081	Punjab National Bank NCD	11-Feb-22	250,000,000	11,842,466
INE046W07081	Indian Bank NCD	13-Aug-21	-	47,630,137
INE046W07081	Indian Bank NCD	11-Feb-22	1,000,000,000	47,369,863
INE046W07107	Union Bank NCD	18-May-21	-	20,827,397
INE046W07107	Union Bank NCD	18-Nov-21	-	21,172,603
NA	IFMR subordinated debt	28-Apr-21	-	2,825,342
NA	IFMR subordinated debt	28-May-21	-	2,825,342
NA	IFMR subordinated debt	28-Jun-21	-	2,919,521
NA	IFMR subordinated debt	28-Jul-21	-	2,825,342
NA	IFMR subordinated debt	30-Aug-21	-	3,107,877
NA	IFMR subordinated debt	28-Sep-21	-	2,731,164
NA	IFMR subordinated debt	28-Oct-21	-	2,825,342
NA	IFMR subordinated debt	29-Nov-21	-	3,013,699
NA	IFMR subordinated debt	28-Dec-21	-	2,731,164
NA	IFMR subordinated debt	28-Jan-22	-	2,919,521
NA	IFMR subordinated debt	28-Feb-22	-	2,919,521
NA	IFMR subordinated debt	28-Mar-22	-	2,636,986



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Notes to financial results as at 31 March 2021

- 11 The Company has maintained requisite full asset cover by way of floating charge on book debts of the Company on its secured listed non-convertible debentures as at 31 March 2021.
- 12 Figures for the six months period ended 31 March 2021 and 31 March 2020 represent the difference between the audited figures in respect of full financial years and the published reviewed figures for the six months period ended 30 September 2020 and 30 September 2019 respectively.
- 13 Previous period's / year's figures have been regrouped / reclassified wherever necessary to correspond with the current period's / year's classification / disclosure.

For and on behalf of the Board of Directors

THOMAS Digitally signed by
THOMAS MUTHOOT
MUTHOOT Date: 2021.06.03
17:13:01 +05'30'

Name : Thomas Muthoot
Designation : Managing Director
DIN : 00082099

Place : Kochi
Date : 3 June 2021



Walker Chandiok & Co LLP

6th Floor, Modayil Centre point,
Warriam Road Junction,
MG Road,
Kochi - 682016
Kerala, India
T +91 484 406 4546

Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Muthoot Microfin Limited

Opinion

1. We have audited the accompanying annual financial results ('the Statement') of Muthoot Microfin Limited ('the Company') for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('the Listing Regulations'), including relevant circulars issued by SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
 - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the net profit after tax and other comprehensive loss and other financial information of the Company for the year ended 31 March 2021.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 5 of the accompanying Statement for the year ended 31 March 2021, which describes the uncertainty relating to outcome of the effects of COVID-19 pandemic on the Company's operations and the consequential impact on the appropriateness of impairment losses recognized towards loan assets outstanding as at 31 March 2021.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement has been prepared on the basis of the annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

12. The Statement includes the financial results for the half year ended 31 March 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited figures for the half year ended 30 September 2020, which were subject to limited review by us. Our opinion is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Krishnakumar Ananthasivan

Partner

Membership No. 206229

UDIN: 21206229AAAABP3564



Digitally signed
by
Krishnakumar
Ananthasivan
Date:
2021.06.03
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Place: Kochi

Date: 3 June 2021