

Date: 13.11.2021

To,
The Manager,
Listing Department-BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001

Dear Sir,

Sub: Submission of Unaudited Financial Results for the quarter and half year ended 30th September, 2021 under Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 52 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Board of Directors in their meeting held on November 13, 2021 considered and approved Unaudited Financial Results along with Limited Review Report issued by Statutory Auditors for the quarter and half year ended September 30, 2021 duly reviewed by the Audit Committee.

The said financial have been signed by the Managing Director of the Company and we hereby declare that the Statutory Auditors M/s SCV & CO. LLP Chartered Accountants (ICAI Firm Registration Number: 000235N/N500089) have submitted the Limited Review Report for the Financial Results of the Company for the quarter and half year ended September 30, 2021 with an Un-Modified opinion.

In term of Regulation 52 (4) of the Listing Regulations:

- a) **Debt-Equity Ratio:** 3.46
- b) **Debt service coverage ratio:** Being a Non-Banking Financial Company, requirement of disclosure of debt service coverage ratio is not applicable.
- c) **Interest service coverage ratio:** Non-Banking Financial Company, requirement of disclosures of interest service coverage ratio is not applicable.
- d) **Capital redemption reserve/debenture redemption reserve:** 4.00 mn/36.63 mn
- e) **Net worth:** 2,590.74 mn
- f) **Net profit after tax:** 101.34 mn
- g) **Earnings per share:** 2.59
- h) **Current Ratio:** Being a Non-Banking Financial Company, requirement of disclosure of Current Ratio is not applicable.



Sumit Bhojwani
Company Secretary
M.No. A36611
Jalandhar



Midland Microfin Limited

Regd. & Corporate Office: The Axis, Plot no. 1, RB Badri Dass Colony, BMC Chowk, G.T. Road Jalandhar – 144001 INDIA.
Tel.: 0181 – 5085555, 5086666 Fax: 5087777, email id: info@midlandmicrofin.com, Website: www.midlandmicrofin.com

CIN – U65921PB1988PLC008430

- i) **Long term debt to working capital:** Being a Non-Banking Financial Company, requirement of disclosure of Long term debt to working capital is not applicable.
- j) **Bad debts to Account receivable ratio:** Being a Non-Banking Financial Company, requirement of disclosure of Bad debts to Account receivable ratio is not applicable
- k) **Current Liability ratio:** Being a Non-Banking Financial Company, requirement of disclosure of Current Liability ratio is not applicable
- l) **Total Debts to Total Assets:** 0.72
- m) **Debtors Turnover:** Being a Non-Banking Financial Company, requirement of disclosure of Debtor Turnover ratio is not applicable
- n) **Inventory Turnover:** Being a Non-Banking Financial Company, requirement of disclosure of Inventory Turnover ratio is not applicable.
- o) **Operating Margin (%):** Being a Non-Banking Financial Company, requirement of disclosure of operating margin is not applicable
- p) **Net Profit Margin (%):** 9.81
- q) **Sector specific equivalent ratios:**
- Return on Assets (%)- for the quarter and half year ended September 30, 2021 is 1.72% and 1.73% respectively
 - Gross NPA (%)- as on September 30, 2021 is 2.11%
 - Net NPA (%)- as on September 30, 2021 is 0.41% %
 - Capital Adequacy Ratio (%)- as on September 30, 2021 is 49.08%

Pursuant to the Regulation 52(7) of the Listing Regulations, declaration with respect to the utilization of issue proceeds of non-convertible debt securities is not required since the proceeds have been already utilized as per the objective.

Pursuant to the Regulation 54 (3) of the Listing Regulations, disclosure on Asset Cover has been submitted separately to the BSE Limited.

Kindly acknowledge the receipt of the same.

**For and on behalf of
Midland Microfin Limited**



Sumit Bhojwani
(Company Secretary)
M. No. A-36611

Midland Microfin Limited

Independent Auditor's Review Report
on unaudited financial results for quarter and half year ended 30th September 2021 of

Midland Microfin Limited

pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Review Report to
The Board of Directors,
Midland Microfin Limited

1. We have reviewed the accompanying Statement of unaudited financial results ("the Statement") of **Midland Microfin Limited ("the Company")** for the quarter and half year ended **30th September 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').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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. Our responsibility is to express a conclusion 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Other offices:

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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 the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, 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. 7 on the Statement which described the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management.

Our conclusion is not modified in respect of this matter.

Other Matter

6. (a) The annual financial statements of the Company for the year ended March 31, 2021, were audited by erstwhile auditors whose report dated May 26, 2021, expressed an unmodified opinion on those annual financial statements.
- (b) The Interim financial results for the half year ended September 30, 2020, was reviewed by erstwhile auditors, whose review report dated November 12, 2020, expressed an unmodified conclusion on those interim financial results.

Our conclusion is not modified in respect of these matters.

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089



A handwritten signature in blue ink, appearing to read "Rajiv Puri".

(Rajiv Puri)
Partner

Membership No.: 084318
UDIN: 21084318AAAAFK3171

Place: New Delhi

Dated: November 13, 2021

Midland Microfin Limited
(CIN: U65921PB1988PLC008430)

Registered Office:- The AXIS, Plot No.1, R.B. Badri Dass Colony, G.T Road, Jalandhar PB 144001 (INDIA)

Tel : +91-181-5076000, Fax No : +91- 181-2236070 Website : www.midlandmicrofin.com

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

(Rupees in millions unless otherwise stated)

Particulars	As at September 30, 2021	As at March 31, 2021
	Unaudited	Audited
ASSETS		
Financial assets		
Cash and cash equivalents	2,936.29	1,490.29
Bank balances other than cash and cash equivalents	1,700.53	1,642.50
Derivative financial instruments	22.56	25.56
Trade receivables	6.74	2.01
Loan portfolio	7,425.49	7,557.37
Other financial assets	112.76	78.00
Total financial assets	12,204.37	10,795.73
Non-financial assets		
Current tax assets (net)	-	4.23
Deferred tax assets (net)	50.27	41.59
Property, plant and equipment	112.40	115.71
Intangible assets	9.50	10.55
Other non-financial assets	31.95	30.29
Total non-financial assets	204.12	202.37
Total assets	12,408.49	10,998.10
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Trade payables	16.46	6.33
Debt securities	1,738.31	1,314.87
Borrowings (other than debt securities)	6,482.09	6,562.83
Subordinated liabilities	1,192.24	1,053.44
Other financial liabilities	336.80	259.78
Total financial liabilities	9,765.90	9,197.25
Non-financial liabilities		
Current tax liabilities (net)	12.47	-
Provisions	19.58	17.51
Other non-financial liabilities	19.80	15.24
Total non-financial liabilities	51.85	32.75
EQUITY		
Equity share capital	455.70	391.70
Other equity	2,135.04	1,376.40
Total equity	2,590.74	1,768.10
Total liabilities and equity	12,408.49	10,998.10

For and on Behalf of the Board of Directors of
Midland Microfin Limited

Place: Jalandhar
Date: November 13, 2021



Amardeep Singh Samra
Amardeep Singh Samra
Managing Director

Midland Microfin Limited
(CIN: U65921PB1988PLC008430)
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Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2021

Particulars	(Rupees in millions unless otherwise stated)				
	Quarter ended		Half Year ended		Year ended
	30-09-21	30-06-21	30-09-21	30-09-20	31-03-21
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations					
Interest income	502.63	485.48	988.11	977.85	1,909.40
Fees and commission income	22.59	2.86	25.45	0.49	4.84
Net gain on derecognition of financial instruments under amortised cost category	17.27	-	17.27	-	7.85
Total revenue from operations	542.49	488.34	1,030.83	978.34	1,922.09
Other income	0.68	1.51	2.19	0.26	1.35
Total income	543.17	489.85	1,033.02	978.60	1,923.44
Expenses					
Finance cost	270.64	244.47	515.12	545.41	1,036.36
Impairment on financial instruments	9.82	13.30	23.12	48.35	124.03
Employee benefit expenses	133.55	116.08	249.63	179.12	385.89
Depreciation and amortization expense	8.42	9.40	17.82	19.81	37.62
Other expenses	51.32	38.43	89.75	59.18	149.44
Total expenses	473.75	421.68	895.44	851.87	1,733.34
Profit before tax	69.42	68.17	137.58	126.73	190.10
Tax expense:					
Current tax	5.27	39.88	45.14	44.38	72.67
Deferred tax	13.57	(22.48)	(8.90)	(12.56)	(28.83)
Income tax expense	18.84	17.40	36.24	31.82	43.84
Profit for the year (A)	50.58	50.77	101.34	94.91	146.26
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Re-measurement gain on defined benefit plans	1.76	-	1.76	-	2.99
Income tax effect	(0.44)	-	(0.44)	-	(0.75)
Items that will be reclassified subsequently to profit or loss					
Fair value income/(loss) on derivative financial instruments	8.38	(9.26)	(0.88)	(2.33)	5.77
Income tax effect	(2.11)	2.33	0.22	0.59	(1.45)
Other comprehensive income/(loss) (B)	7.59	(6.93)	0.66	(1.74)	6.56
Total comprehensive income for the year (A+B)	58.17	43.84	102.00	93.17	152.82
Earnings per equity share					
Computed on the basis of total profit for the period					
Basic EPS (Rs.)*	1.28	1.30	2.59	2.85	4.06
Diluted EPS (Rs.)*	1.28	1.30	2.59	2.85	4.06
Nominal value	10.00	10.00	10.00	10.00	10.00

*Basic and Diluted EPS for the Quarter ended September 30, 2021, June 30, 2021 and Half year ended September 30, 2021, September 30, 2020 are not annualised.

For and on Behalf of the Board of Directors of
Midland Microfin Limited

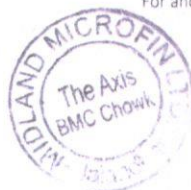


Amardeep Singh Samra
Amardeep Singh Samra
Managing Director

Place: Jalandhar
Date: November 13, 2021

Midland Microfin Limited (CIN: U65921PB1988PLC008430) Registered Office:- The AXIS, Plot No.1, R.B. Badri Dass Colony, G.T Road, Jalandhar PB 144001 (INDIA) Tel : +91-181-5076000, Fax No : +91- 181-2236070 Website : www.midlandmicrofin.com Statement of Unaudited Cash Flows for the half year ended September 30, 2021	
(Rupees in millions unless otherwise stated)	
Particulars	For half year ended September 30, 2021 Unaudited
Cash flow from operating activities	
Profit before tax	137.58
Adjustments for:	
Depreciation and amortization	17.82
Provision for employee benefits	3.83
Impairment of financial instruments	23.12
Net gain on derecognition of financial instruments under amortised cost category	(17.27)
Profit on sale of mutual fund units	(0.06)
Other provisions and write offs	0.68
Interest expense	3.88
Lease rental reversed upon implementation of Ind AS 116	(9.47)
Operating profit before working capital changes	160.11
Movements in working capital :	
Increase in trade payables	10.13
Increase in other financial liabilities (excluding lease liabilities)	78.19
Increase in other non financial liabilities	4.56
(Increase) in bank balances other than cash and cash equivalents	(58.03)
(Increase) in trade receivables	(4.73)
Decrease in other current tax assets	84.98
Decrease in loan portfolio	108.80
(Increase) in other financial assets	(17.53)
(Increase) in other non financial assets	(2.34)
Cash flow from operations	364.14
Income taxes paid	(113.42)
Net cash flow from operating activities (A)	250.72
Cash flow from investing activities	
Purchase of property, plant and equipment (excluding right of use assets)	(8.58)
Purchase of intangible assets	(0.46)
Purchase of investments	(10.00)
Sale of investments	10.06
Net cash (used in) investing activities (B)	(8.98)
Cash flow from financing activities	
Proceeds from issue of equity shares	64.00
Premium on issue of equity shares	680.12
Proceeds from issue (redemption) of Debt securities (net)	423.44
Proceeds from issue of Borrowings (other than debt securities) (net)	(78.60)
Proceeds from issue of Subordinated liabilities (net)	138.80
Dividend on equity shares	(23.50)
Net cash flow from financing activities (C)	1,204.26
Net increase in cash and cash equivalents (A + B + C)	1,446.00
Cash and cash equivalents at the beginning of the year	1,490.29
Cash and cash equivalents at the end of the period	2,936.29
Components of cash and cash equivalents as at the end of period	
Cash in hand	21.17
Balance with banks - on current account	964.04
Deposits with original maturity of less than or equal to 3 months	1,951.08
Total cash and cash equivalents	2,936.29

Place: Jalandhar
Date: November 13, 2021



For and on Behalf of the Board of Directors of
Midland Microfin Limited

Amardeep Singh Samra
Managing Director

Midland Microfin Limited
(CIN: U65921PB1988PLC008430)

Registered Office:- The AXIS, Plot No.1, R.B. Badri Dass Colony, G.T Road, Jalandhar PB 144001 (INDIA)

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Financial results for the quarter and half year ended September 30, 2021

Notes:

- Midland Microfin Limited (the 'Company') has prepared unaudited financial results (the 'Statement') for the quarter and half year ended September 30, 2021 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations, 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provisions of the Companies Act, 2013, as applicable.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2021, in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The above results for the quarter and half year ended September 30, 2021 have been reviewed by the Statutory Auditors of the Company.
- The Company operates in a single reportable segment i.e. lending to borrowers, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographic segment i.e. domestic.
- During the quarter and half year ended September 30, 2021, the Company has issued 63,99,956 equity shares of a face value of Rs.10 at a price of Rs.116.27 per equity share including premium of Rs.106.27 per equity share aggregating to Rs.744.12 Mn through private placement.
- In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/2019-20 dated March 13, 2020 on implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition, Asset classification and Provisioning (IRACP) norms (including provision on standard asset). The impairment allowances under Ind AS 109 made by company exceeds the total provision required under IRACP (including standard asset provisioning), as at September 30, 2021 and accordingly, no amount is required to be transferred to impairment reserve.
- Details of resolution plan implemented under resolution Framework for Covid-19 related stress of Individuals and Small Businesses as per RBI circular dated May 5, 2021 (Resolution Framework 2.0):

(Rs. in Millions unless otherwise stated)

Particulars	Individual Borrowers		Small Businesses
	Personal Loans	Business Loans*	
(A) Number of requests received for invoking resolution process	-	14,379	-
(B) Number of accounts where resolution plan has been implemented under this window	-	14,379	-
(C) Exposure to accounts mentioned at (B) before implementation of the plan	-	233.16	-
(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	-	20.56	-

*Includes Joint Liability Group (JLG) loans and Individual loans.

- The COVID-19 pandemic has continued to cause a significant disruption of the economic activities across the globe including India throughout the previous year, with second wave of the pandemic emerging in the first quarter of the financial year 2021-22 in India. In assessing the impairment allowance for loan portfolio, the Company has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Further, the management has estimated the impact of the second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the first wave, and has noted that the existing provisioning levels are adequate to cover any further delinquencies. Given the unique nature and scale of this pandemic, its full extent of impact on the Company's operations and financial metrics, more specifically on the borrower's ability to service their obligations on a timely basis, will depend on the severity and duration of the pandemic as well as on highly uncertain future developments including governmental and regulatory measures and the Company's responses thereto. The extent to which the second wave of Covid-19 pandemic that has significantly increased the number or cases in India, will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any action to contain its spread or mitigate its impact.

The management's estimate of impairment losses based on various variables and assumptions could result in actual credit loss being different than that being estimated. The Company has assessed the impact of the pandemic on its liquidity and ability to repay its obligations as and when they are due. The Company has considered its current liquidity position, expected inflows from various sources of borrowings and stimulus packages announced by the Government of India. Based on the foregoing, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. The impact of the pandemic on the operations of the Company is significantly dependent on uncertain future economic conditions.

- Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs Union of India & Anr), vide an interim order dated September 3, 2020 ('interim order') has directed that accounts classified which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Company, has not classified any account as NPA, as per regulatory norms, after August 31, 2020 which was not NPA as of August 31, 2020 till September 30, 2020.

The interim order granted to not declare accounts as NPA stood vacated on March 23, 2021 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial Manufacturers Association vs. UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17DOR. STR.REC.4/21.04.048/2021-22 dated April 7, 2021, the Company has carried out asset classification of the borrower accounts as per the extant RBI instructions / IRAC norms, without considering any standstill in asset classification and also done staging of the borrower accounts in accordance with ECL model / framework under Ind AS in these financial statements.



[Handwritten Signature]

- 9 In accordance with RBI circular no. DOR STR.REC 4/21.04.048/2021-22 dated April 07, 2021, all lending institutions shall refund/adjust 'interest on interest' to all borrowers including those who had availed working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the Indian Banks Association (IBA) in consultation with other industry participants/bodies published the methodology for calculation of the amount of such 'interest on interest'. Accordingly, the company has estimated an interest relief of Rs. 2.88 Mn and recorded the same as a liability while reducing the interest income in these financial results.
- 10 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective.
- 11 Analytical ratios/disclosures required under Regulation 52(4) of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	As at September 30, 2021
Debt-equity ratio	3.46
Total debt to total assets	0.72
Net worth (in mn)	2,590.74
Gross Non-Performing Assets (GNPA) ratio (%)	2.11
Net Non-Performing Assets (NNPA) ratio (%)	0.41
Capital Redemption Reserve (in mn)	4.00
Debenture Redemption Reserve (in mn)	36.63
Redeemable Non-convertible Preference Shares	
-Quantity (Number)	15,945,000
-Outstanding (in mn)	452.68
-Previous due date of dividend	September 16, 2021
-Previous payment date of dividend	September 24, 2021
-Next due date of dividend	September 30, 2022
-Next due date of redemption	October 12, 2021
-Amount of redemption (in mn)	48.61

Particulars	Quarter ended		Half Year ended	
	30-09-21	30-06-21	30-09-21	30-09-20
Net Profit Margin (%)	9.31	10.36	9.81	9.70

Other ratios/disclosures such as debt service coverage ratio, interest service coverage ratio are not applicable/relevant to the company and hence not disclosed.

12. As per Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, debentures are secured by exclusive first charge on receivables of the company by way of hypothecation to the extent of 1.09 times of the amount outstanding.
13. Company has availed the exemption provided under SEBI circular SEBI/HO/DDHS/CIR/2021/0000000637 dated October 5, 2021 as regard to disclosure for corresponding quarter results ending September 30, 2020 and cash flow statement for half year ending September 30, 2020.
14. The figures for the previous periods have been regrouped/rearranged wherever necessary to conform to current period presentation.
15. The above financial results are available on the stock exchange website (www.bseindia.com) and the website of the Company (www.midlandmicrofin.com).



For and on Behalf of the Board of Directors of
Midland Microfin Limited

Amardeep Singh Samra
Managing Director

Place: Jalandhar
Date: November 13, 2021