

Ref: SEC/MFL/SE/2021/

March 16, 2021

National Stock Exchange of India Ltd.

Exchange Plaza

Plot no. C/1, Block G,

Bandra- Kurla Complex,

Bandra (E), Mumbai - 400 051

Symbol: MUTHOOTFIN

BSE Limited,

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai - 400 001

Scrip Code: 533398

Dear Sir/Madam,

Sub: Intimation under Regulation 30, 51(2), 56(1)(c), 62 (1)(h)(iii), and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Framework for listing of Commercial Paper, as amended.

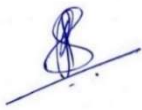
Re: Press Release on ratings Action by ICRA

Please find enclosed a press release proposed to be published by the Company in leading newspapers regarding rating action by ICRA.

We request you to take the same on record.

Thanking You,

For Muthoot Finance Limited



Rajesh A
Company Secretary

ICRA UPGRADES LONG TERM DEBT RATING OF MUTHOOT FINANCE LTD
from '[ICRA]AA(Stable)' to '[ICRA]AA+(Stable)'

ICRA has upgraded its ratings on the long-term debt facilities of Muthoot Finance Limited (Muthoot Finance) from '[ICRA]AA(Stable)' to '[ICRA]AA+(Stable)' (pronounced as [ICRA] Double A Plus).

ICRA in its rating rationale has stated that "The rating upgrade factors in the sustained healthy financial performance of Muthoot Finance Limited (MFL) along with the scale-up in the overall portfolio which was largely led by the gold loans business. MFL's gold loan book has more than doubled over the last 5 years to Rs. 49,622 crore as in December 2020 and accounted for about 90% of its overall consolidated portfolio. The credit costs in the gold loan business have been under control, which uplifts the consolidated earnings performance. ICRA expects the consolidated earnings performance to remain healthy as gold loans would account for about 85-90% of the overall lending portfolio. MFL's capitalisation profile characterised by a consolidated managed gearing of about 3.5 times as of December 2020 is also expected to remain comfortable over the medium-term supported by its expected healthy accruals."

The rating rationale also stated that "The ratings continue to factor in MFL's long track record and its leadership position in the gold loan segment, its established franchise with a pan-India branch network, and its efficient internal controls and monitoring systems. MFL's ability to raise funds from diverse sources, current on-balance sheet liquidity and short-term nature of the loans results in strong liquidity profile."

The change from 'AA' to 'AA+' signifies reaching the highest standing in the category and this rating is just one level below 'AAA' rating which is the highest rating for long term debt instruments. The rating denotes 'High Safety' and 'Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.'

This rating upgrade will enable the Company to raise more long term debt funds as well as attract wider set of investors. This upgrade can further attract investments from Retail Investors in the Public Issue of NCDs in which Company has track record of 24 issuances raising Rs. 17392crs cumulatively. Moreover, Company will be able to raise funds at much more competitive rates.

George Alexander Muthoot, Managing Director, on this occasion, stated "With this rating upgrade from ICRA, Muthoot Finance Ltd has crossed a major milestone of AA+ credit rating from two rating agencies, earlier being from CRISIL. It is a recognition of its market leadership position in gold loan industry as well as strong financial position. We wish to highlight that the achievement of this rating level for Muthoot Finance Ltd is on standalone basis without any parental support factored in rating."



Muthoot Finance Limited

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About Muthoot Finance Limited

Muthoot Finance Ltd, a “Systemically Important Non-Deposit Taking NBFC” (NBFC-ND-SI), is the largest gold loan NBFC in India. Its operating history has evolved over a period of 82 years since M George Muthoot (the father of our Promoters) founded a gold loan business in 1939 under the heritage of a trading business established by his father, Ninan Mathai Muthoot, in 1887. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited since 2011. It has a branch network of 4500 plus branches across 23 states, the national capital territory of Delhi and five union territories in India. It serves about 2,00,000 plus retail customers every day for Gold Loans and Other Products and has about 2,00,000 plus Retail Investor Base for its Non-Convertible Debentures. It employs over 25000 persons in its operations. It’s loan assets stood at Rs. 41,611 Crores as at March 31, 2020 and it generated Profit after Tax of Rs. 3,018 Crores for FY 2020. Its net-worth stood at Rs. 14,178 Crores and had a Capital Adequacy Ratio of 26.38% as on December 31, 2020. Profit after Tax stood at Rs. 2,726 Crores for the 9 months ended December 31, 2020 and loan assets stood at Rs. 50,391 Crores as at December 31, 2020.

Kochi

March 16, 2021