

November 03, 2020

Ref: SEC/MFL/SE/2020/3651

**National Stock Exchange of India Ltd.**  
**Exchange Plaza,**  
Plot no. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (E), Mumbai - 400 051  
Symbol: MUTHOOTFIN

**Department of Corporate Services**  
**BSE Limited,**  
P. J. Tower, Dalal Street,  
Mumbai - 400 001  
Scrip Code: 533398

Dear Sir/Madam,

**Re: Press release on Unaudited Financial Results for the quarter and half year ended September 30, 2020**

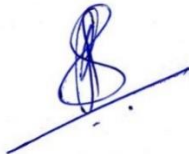
The Board of Directors of the Company at their meeting held today i.e., November 03, 2020 has announced the Unaudited Financial Results for the quarter and half year ended September 30, 2020.

We herewith enclose a copy of Press Release proposed to be released in leading newspapers across the country.

This is for your kind information and record thereon.

Thanking You,

For **Muthoot Finance Limited**



Rajesh A  
Company Secretary  
ICSI Membership No. FCS 7106

Kochi, November 03, 2020:

**Consolidated Loan Assets Under Management increased by 29% YoY at Rs.52,286crs for H1 FY21**

**Consolidated Profit after Tax increased by 21% YoY at Rs.1,788crs for H1 FY21**

**Standalone Loan Assets Under Management increased by 32% YoY at Rs.47,016 crs for H1 FY21**

**Standalone Profit after tax increased by 25% YoY at Rs.1,735crs for H1 FY21**

### Consolidated Results of Muthoot Finance Ltd

Muthoot Finance Ltd Consolidated Loan Assets under management achieved a YoY increase of 29% at Rs.52,286crs as against last year of Rs.40,390crs for H1 FY21. During the quarter, Consolidated Loan Assets under management increased by Rs.5,785crs. Consolidated Profit after tax achieved a YOY increase of 21% of Rs.1,788 crs as against last year of Rs.1,472crs.

	H1 FY21	H1 FY20	YOY %	Q2 FY21	Q1 FY21	QoQ %	FY20	YTD %
Group Branch Network	5,381	5,190	4%	5,381	5,330	1%	5,330	1%
Consolidated Gross Loan Assets of the Group (Rs. In crores)	52,286	40,390	29%	52,286	46,501	12%	46,871	12%
Consolidated Profit of the Group (Rs. In crores)	1,788	1,472	21%	930	858	8%	3,169	
Contribution in the Consolidated Gross Loan Assets of the Group								
Muthoot Finance	46,678	35,250	32%	46,678	40,906	14%	41,216	13%
Subsidiaries	5,608	5,140	9%	5,608	5,595	-	5,655	-1%
Contribution in the Consolidated Profit of the Group								
Muthoot Finance	1722	1,375	25%	887	835	6%	2,993	
Subsidiaries	66	97	-32%	43	23	87%	176	

### Standalone Results of Muthoot Finance Ltd and its subsidiaries

**Muthoot Finance Ltd (MFIN)**, the largest gold financing company in India in terms of loan portfolio, registered an increase in net profit of 25%, at Rs. 1,735crs for H1 FY21 as against Rs. 1,388crs for Q1 FY20. Loan Assets stood at Rs.47,016crs as at September 30, 2020 as against Rs. 35,731crs as at September 30, 2019, Y-o-Y growth of 32%.

**Muthoot Homefin (India) Ltd (MHIL)**, the wholly owned subsidiary, loan portfolio decreased to Rs.1,938crs as against previous year of Rs.2,098crs. During Q2 FY21, loan portfolio stood at Rs.1,938crs. Total revenue for Q2 FY21 & H1 FY21 stood at Rs.57crs & Rs.116crs as against previous year total revenue of Rs.91crs & Rs.152crs. It achieved a profit after tax of Rs.5crs & Rs.6crs in Q2 FY21 & H1 FY21 as against previous year profit of Rs.14crs & Rs.20crs. Its Stage III Asset on Gross Loan Asset % as on September 30, 2020 stood at 1.71%. Company also made a Covid ECL provision of Rs.17crs additionally.



**M/s. Belstar Microfinance Limited (BML)**, an RBI registered micro finance NBFC and Subsidiary Company where Muthoot Finance holds 70.01% stake, grew its loan portfolio to Rs.2,687crs as against last year of Rs. 2,107crs, a YoY increase of 27%. During Q2 FY21, loan portfolio increased by Rs.111crs. It achieved a profit after tax of Rs. 15crs & Rs.30crs in Q2 FY21 & H1 FY21 as against Rs.28crs & Rs.51crs previous year. Its Stage III Asset on Gross Loan Asset % as on September 30, 2020 stood at 0.62%. Company also made a Covid ECL provision of Rs.11.14crs additionally.

**Muthoot Insurance Brokers Pvt Limited (MIBPL)**, an IRDA registered Direct Broker in insurance products and a wholly owned subsidiary company generated a total premium collection amounting to Rs.106crs & Rs.150crs in Q2 FY21 & H1 FY21 as against Rs.71crs & Rs.131crs in the previous year. It generated a Profit after Tax of Rs. 9crs & Rs.13crs in Q2 FY21 & H1 FY21 as against Rs.4crs & Rs.7crs in the previous year.

The Sri Lankan subsidiary - **Asia Asset Finance PLC. (AAF)** where Muthoot Finance holds 72.92% stake, loan portfolio stood at LKR 1,298crs as against LKR 1,314crs last year. During Q2 FY21, loan portfolio decreased by LKR 50crs. Total revenue for Q2 FY21 & H1 FY21 stood at LKR 76crs and LKR 146crs as against previous year total revenue of LKR 86crs and LKR 166crs. It generated a profit after tax of LKR 2cr & LKR 0.13cr in Q2 FY21 & H1 FY21 as against previous year profit after tax of LKR 3crs & LKR 5crs.

**Muthoot Money Ltd (MML)**, became a wholly owned subsidiary of Muthoot Finance Ltd in October 2018. MML is a RBI registered Non- Banking Finance Company engaged mainly in extending loans for vehicles. Recently, Company has started extending loans for Commercial Vehicles and Equipments. Its loan portfolio stood at Rs.463crs as on September 30, 2020. During Q2 FY21, loan portfolio decreased by Rs.33crs. Total revenue for Q2 FY21 & H1 FY 21 stood at Rs.19crs and Rs 38crs. Company also made a Covid ECL provision of Rs.10.53crs additionally.

### Management Quote

Commenting on the results **M G George Muthoot, Chairman** stated, “We are glad to inform that we could achieve highest ever quarterly growth in gold loan portfolio of Rs.5,739crs during this quarter i.e., QoQ growth of 14%. With this growth, we achieved a YoY growth in loan assets of 32% reaching Rs.47,016crs. We are proud that we are able to support our customers with extra funds during times of their difficulty. We also achieved a YoY increase of 25% in profit after tax of Rs.1,735crs for the half year ended September 30, 2020.”

Speaking on the occasion **George Alexander Muthoot, Managing Director** said, “Our disbursements for the quarter were focused on new customer additions, fresh loans to active and inactive customers and top-up loans to existing customers. This was supported by adequate BTL and ATL activities as well as digital innovations. We disbursed fresh loans to 4.40lakh new customers amounting to Rs.3,653crs and to 4.67lakh inactive customers amounting to Rs.3,460crs. Our average gold loan outstanding per branch crossed Rs.10crs per branch for the first time. Company has been able to raise funds through bank loans, NCDs and commercial paper issuances regularly. We also maintained a liquidity buffer of Rs.7,946crs as cash, bank and investments in liquid funds as on September 30,2020. Subsidiaries followed a cautious approach towards lending. Non-gold loan portfolio in subsidiaries constituted about 11% of consolidated loan portfolio. Collections in non-gold loan portfolio have significantly improved month on month.”

**Financial Highlights (MFIN):**

	H1 FY21	H1 FY20	YOY %	Q2 FY21	Q2 FY20	YoY %	Q1 FY21	QoQ %
	(Rs.in Crs)	(Rs.in Crs)		(Rs.in Crs)	(Rs.in Crs)		(Rs.in Crs)	
Total Income	4,970	3,999	24%	2,584	2,141	21%	2,385	8%
Profit Before Tax	2,325	1,864	25%	1,200	1,047	15%	1,125	7%
Profit After Tax	1,735	1,388	25%	894	858	4%	841	6%
Earnings Per Share(Basic) Rs.	43.26	34.64	25%	22.30	21.41	4%	20.96	6%
Loan Assets	47,016	35,731	32%	47,016	35,731	32%	41,296	14%
Branches	4,607	4,540	1%	4,607	4,540	1%	4,573	1%

Particular	H1 FY21	H1 FY20	Q2 FY21	Q2 FY20	Q1 FY21
Return on Average Loan assets	8.01%	7.87%	8.10%	9.59%	8.11%
Return on Average Equity	28.02%	27.23%	28.05%	33.74%	28.16%
Book Value Per Share (Rs.)	328.82	264.48	328.82	264.48	306.99

Particular	Q2 FY21	Q2 FY20	Q1 FY21
Capital Adequacy Ratio	25.73	27.11	26.30
Share Capital & Reserves (Rs. in Crs)	13,197	10,599	12,316

**Business Highlights (MFIN):**

Particular	H1 FY21	H1 FY20	Growth (YoY)
Branch Network	4,607	4,540	1%
Gold Loan Outstanding (Rs. in Cr)	46,234	34,942	32%
Credit Losses (Rs. in Cr)	4	17	-76%
% of Credit Losses on Gross Loan Asset Under Management	0.008%	0.046%	-82%
Average Gold Loan per Branch (Rs. In Cr)	10.04	7.70	30%
No. of Loan Accounts (in lakh)	76	81	-6%
Total Weight of Gold Jewellery pledged (in tonnes)	163	171	-5%
Average Loan Ticket Size	60,642	43,041	41%
No. of employees	25,987	25,091	4%


**Other Highlights:**

- Highest ever Q-o-Q growth in Gold Loan Outstanding of RRs.5,739 crores
- Average Gold Loan Outstanding per branch crosses Rs.10 Cr
- 92% Q-o-Q growth in branch footfalls
- 50% Q-o-Q growth in Mobile App transactions
- 112% Q-o-Q growth in Online Gold Loan (OGL) disbursements
- Loan @ Home service crosses Rs.100 Cr disbursements (including October)
- 229% Q-o-Q growth in HNI Loans (Above 10 Lakh)

**Our Subsidiaries:**
**About Muthoot Insurance Brokers Pvt Limited:**

MIBPL is a wholly owned subsidiary of Muthoot Finance Ltd. It is an unlisted private limited company holding a license to act as Direct Broker from IRDA since 2013. It is actively distributing both life and non-life insurance products of various insurance companies. During Q2 FY21, it has insured more than 807,000 lives with a first year premium collection of Rs. 725million under Traditional, Term and Health products. The same was 718,000 lives with a first year premium collection of Rs. 461million in Q2 FY20 respectively.

**Key Business Parameters**

Particulars	H1 FY 21	H1 FY 20	Q2 FY 21	Q1 FY 21	FY 20
Total Premium Collection (Rs. In millions)	1,502	1,314	1,059	443	3,232
No. of Policies (In lakhs)	9.58	11.67	8.15	1.42	28.06

**About Muthoot Homefin (India) Limited:**

MHIL is a Housing Finance Company registered with The National Housing Bank (NHB). It is a wholly owned subsidiary of Muthoot Finance Limited.

MHIL's prime goal is to contribute towards financial inclusion of LMI families by opening doors of formal housing finance to them. Its focus is on extending Affordable Housing Finance. MHIL would be concentrating primarily on retail housing loans in the initial stages. It operates on a 'Hub and Spoke' model, with the centralized processing based out of Corporate Office at Mumbai. MHIL has operations in 14 states and 2 Union territories - Maharashtra (including Mumbai), Gujarat, Rajasthan, Madhya Pradesh, Kerala, Karnataka, Telangana, Andhra Pradesh, Haryana, Chandigarh, Uttar Pradesh, Chattisgarh, Punjab, Tamil Nadu, Delhi and Pondicherry.

MHIL has short term debt rating of 'A1+' for its Commercial Paper program which indicates "Very strong degree of safety regarding timely payment of financial obligations and carry lowest credit risk" from ICRA Ltd.



MHIL has long term debt rating of CRISIL AA/(Positive) for its Bank Limits and Non-Convertible Debentures which indicates “High degree of safety with regard to timely servicing of financial obligations and carry very low credit risk.

**Key Financial Parameters**
**(Rs. In Millions)**

Particulars	H1 FY21	H1 FY20	Q2 FY21	Q1 FY21	FY20
No. of branches	108	103	108	107	107
No. of Sales Offices	107	132	107	107	107
No. of Employees	280	407	280	344	412
Loan Portfolio	19,377	20,975	19,377	19,787	19,769
Capital Adequacy Ratio	48%	45%	48%	47%	52%
Total Revenue	1,159	1,523	571	588	2,876
Total Expense	1,082	1,242	500	582	2,452
Profit Before Tax	77	281	71	6	424
Profit After Tax	57	202	53	4	318
Shareholder's Funds	4,318	4,143	4,318	4,264	4,260
Total Outside Liabilities	13,713	17,142	13,713	15,062	14,590
Total Assets	18,031	21,285	18,031	19,326	18,850
Stage III Loan Assets	331	219	331	337	338
% Stage III asset on Gross Loan Asset	1.71	1.10	1.71	1.70	1.71
Stage III ECL Provision	111	192	111	111	111
ECL Provision	348	272	348	309	179
ECL Provision as a % of Gross Loan Asset	1.80	1.36	1.80	1.56	0.91

**About Belstar Microfinance Limited (BML):**

BML was incorporated on January 1988 at Bangalore and the Company was registered with the RBI in March 2001 as a Non- Banking Finance Company. The Company was reclassified as “NBFC-MFI” by RBI effective from 11th December 2013. Muthoot Finance holds 70.01% of equity share capital of BML. BML was acquired by the ‘Hand in Hand’ group in September 2008 to provide scalable microfinance services to entrepreneurs nurtured by ‘Hand in Hand’s’ Self Help Group (SHG) program. The Company commenced its first lending operations at Haveri District of Karnataka in March 2009 to 3 SHGs, 22 members for INR 0.2million.



In the last ten years of its operations, BML primarily relied on taking over the existing groups formed by Hand in Hand India. BML predominantly follows the SHG model of lending. Effective January 2015, BML started working in JLG model of lending in Pune district, Maharashtra.

As of September 30, 2020, BML operations are spread over 17 states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha, Chattisgarh, Gujarat, Rajasthan, Bihar, Uttar Pradesh, Harayana, Punjab, Jharkhand, Uttarakhand, West Bengal, Tripura and Pondicherry). It has 618 branches, with 158 controlling regional offices and employing 4413 staff. Its gross loan portfolio has grown from INR 0.20 million in March 2009 to INR 26,867 million in September 2020. For H1 FY 21, its Net Profit after Tax was Rs. 296 million and had a net worth of Rs.5,244 million.

**Key Financial Parameters**
**(Rs. In Millions)**

Particulars	H1 FY21	H1 FY20	Q2 FY21	Q1 FY21	FY 20
No. of branches	618	498	618	603	603
No. of Employees	4,413	3,837	4,413	4,197	4,425
Gross Loan Portfolio	26,867	21,074	26,867	25,754	26,310
Capital Adequacy Ratio	27%	24%	27%	26%	26%
Total Revenue	2,491	2,348	1,320	1,171	5,007
Total Expense	2,107	1,656	1,124	983	3,675
Profit Before Tax	384	693	196	188	1,332
Profit After Tax	296	509	151	145	990
Shareholder's Funds	5,244	4,509	5,244	5,131	4,978
Total Outside Liabilities	24,300	17,586	24,300	23,454	20,210
Total Assets	29,544	22,095	29,544	28,585	25,188
Stage III Loan Assets	167	213	167	287	240
% Stage III asset on Gross Loan Asset	0.62	1.01	0.62	1.11	0.91
Stage III ECL Provision	153	191	153	215	216
ECL Provision	462	301	462	418	369
ECL Provision as a % of Gross Loan Asset	1.72	1.43	1.72	1.62	1.40


**About Asia Asset Finance PLC, Sri Lanka:**

Asia Asset Finance PLC, (AAF) Colombo, Sri Lanka became a foreign subsidiary of Muthoot Finance Ltd on December 31, 2014. The company formerly known as Finance and Land Sales has been in operation for over 49 years, evolving to serve the growing needs of people of Sri Lanka.

As on September 30, 2020, total holding in AAF by Muthoot Finance stood at 91 million equity shares representing 72.92% of their total capital. AAF is a Registered Financial Company based in Sri Lanka a fully licensed, deposit-taking institution registered with the Central Bank of Sri Lanka and listed in the Colombo Stock Exchange.

AAF is in lending business since 1970. At present the company is involved in Retail Finance, Hire Purchase & Business Loans and has 30 branches across Sri Lanka. It has total staff strength of 424 currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.

**Key Financial Parameters**
**(LKR in millions)**

Particulars	H1 FY21	H1 FY20	Q2 FY21	Q1 FY21	FY 20
LKR/INR	0.40086	0.387005	0.40086	0.40386	0.388758
No. of Branches	30	25	30	29	29
No. of Employees	424	549	424	461	495
Loan Portfolio	12,982	13,143	12,982	13,481	13,839
Capital Adequacy Ratio (%)	17	21	17	16	17
Total Revenue	1,457	1,655	760	697	3,332
Total Expenses	1,436	1,592	722	714	3,239
Profit Before Tax	21	63	38	(17)	93
Profit After Tax	1	54	18	(17)	70
Shareholders' Funds	2,173	2,158	2,173	2,155	2,172
Total Outside Liabilities	12,476	12,340	12,476	12,501	12,983
Total Assets	14,649	14,498	14,649	14,656	15,155




**About Muthoot Money Limited:**

Muthoot Money Ltd (MML), became a wholly owned subsidiary of Muthoot Finance Ltd in October 2018. MML is a RBI registered Non- Banking Finance Company engaged mainly in extending loans for vehicles. The operations are now centered in Hyderabad. Recently, Company has started extending loans for Commercial Vehicles and Equipments. CRISIL Ltd assigned long term debt rating of AA-/Positive for its bank limits.

As on September 30, 2020 it has a total loan portfolio of Rs. 4,633 Million.

**Key Financial Parameters:**
**(Rs in millions)**

Particulars	H1 FY21	H1 FY20	Q2 FY21	Q1 FY21	FY 20
No. of Branches	18	24	18	18	24
No. of Employees	234	277	234	245	304
Gross Loan Portfolio	4,633	4,253	4,633	4,966	5,090
Capital Adequacy Ratio (%)	22	24	22	21	20
Total Revenue	382	311	185	198	704
Total Expenses	330	258	138	193	665
Profit Before Tax	52	53	47	5	39
Profit After Tax	48	32	73	-25	27
Stage III Loan Assets	237	38	237	180	249
% Stage III asset on Gross Loan Asset	5.12	0.89	5.12	3.62	4.89
Stage III ECL Provision	62	10	62	47	65
ECL Provision	190	52	190	192	143
ECL Provision as a % of Gross Loan Asset	4.10	1.22	4.10	3.87	2.81
Shareholders' Funds	1,110	1,067	1,110	1,037	1,062
Total Outside Liabilities	3,701	3,455	3,701	4,161	4,323
Total Assets	4,811	4,522	4,811	5,198	5,385