

June 17, 2020

Ref: SEC/MFL/SE/2020/3489

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 Audited Financial Results for the quarter and financial year ended March 31, 2020

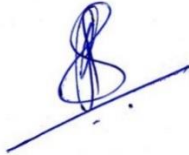
The Board of Directors at their meeting held on June 17, 2020 has announced Audited financial results for the quarter and financial year ended March 31, 2020.

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, June 17, 2020:

Consolidated Loan Assets Under Management increased by 22% YoY at Rs.46,871crs for FY20
Consolidated Profit after Tax increased by 51% YoY at Rs.3,169crs for FY20
Standalone Loan Assets Under Management increased by 22% YoY at Rs.41,611crs for FY20
Standalone Profit after tax increased by 53% YoY at Rs.3,018crs for FY20

Consolidated Results of Muthoot Finance Ltd

Muthoot Finance Ltd's Consolidated Loan Assets under management achieved a YoY increase of 22% at Rs.46,871crs as against last year of Rs.38,304crs for FY20. Consolidated Profit after tax achieved a YOY increase of 51% of Rs.3,169crs as against last year of Rs.2,103crs for FY20

| | FY20 | FY19 | YOY % |
|---|--------|--------|-------|
| Group Branch Network | 5,330 | 5,020 | 6% |
| Consolidated Gross Loan Assets of the Group (Rs. In crores) | 46,871 | 38,304 | 22% |
| Consolidated Profit of the Group (Rs. In crores) | 3,169 | 2,103 | 51% |
| Contribution in the Consolidated Gross Loan Assets of the Group | | | |
| Muthoot Finance | 41,216 | 33,746 | 22% |
| Subsidiaries | 5,655 | 4,558 | 24% |
| Contribution in the Consolidated Profit of the Group | | | |
| Muthoot Finance | 2,993 | 1,946 | 54% |
| Subsidiaries | 176 | 157 | 12% |

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 53%, at Rs.3,018crs for FY20 as against Rs.1,972crs in the previous year. Loan Assets stood at Rs.41,611crs as at March 31, 2020 as against Rs.34,246crs as at March 31, 2019, Y-o-Y growth of 22%. During the quarter, gold loan assets increased by Rs. 3,113crs.

Muthoot Homefin (India) Ltd (MHIL), the wholly owned subsidiary, increased its loan portfolio to Rs.1,977crs as against previous year of Rs.1,908crs, a YoY increase of 4%. Total revenue for FY 20 stood at Rs.288crs as against previous year total revenue of Rs.226crs. It achieved a net profit of Rs.32crs in FY20 as against previous year profit of Rs.36crs. Its Stage III Asset on Gross Loan Asset % as on March 31,2020 stood at 1.71%.

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.2,631crs as against last year of Rs.1,842crs, a YoY increase of 43%. During Q4 FY20, loan portfolio increased by Rs.346crs. It achieved a profit after tax of Rs.99crs in FY20 as against previous year profit after tax of Rs.73crs. Its Stage III Asset on Gross Loan Asset % as on March 31,2020 stood at 0.91%.

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.323crs in FY20 as against Rs.268crs in the previous year. It generated a Profit after Tax of Rs.11crs in FY20 as against Rs.15crs in the previous year.

The Sri Lankan subsidiary - **Asia Asset Finance PLC. (AAF)** where Muthoot Finance holds 72.92% stake, increased its loan portfolio to LKR 1,384crs as against last year of LKR 1,257crs, a YoY increase of 10%. During Q4 FY20, loan portfolio increased by LKR 83crs. Total revenue for FY20 stood at LKR 333crs as against previous year total revenue of LKR 287crs. It generated a profit after tax of LKR 7cr in FY 20 as against previous year profit after tax of LKR 10crs.

Muthoot Money Pvt Ltd (MMPL), became a wholly owned subsidiary of Muthoot Finance Ltd in October 2018. MMPL 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. During FY20, it has increased its loan portfolio to Rs.509crs, as against last year of Rs.311crs, a YoY increase of 64%. During Q4 FY20, loan portfolio increased by Rs.18crs. Total revenue for FY20 stood at Rs 70crs as against previous year total revenue of Rs 16crs.

Management Quote

Commenting on the results M G George Muthoot, Chairman stated, “We are glad to announce that consolidated loan assets of the Group grew by 22% at Rs.46,871crs during FY20 as against last year of Rs.38,304crs. Consolidated Profit increased by 51% at Rs.3,169crs during FY20 as against last year of Rs.2,103crs. During the quarter, gold loan portfolio of Muthoot Finance increased by Rs.3,113crs to Rs.41,611crs. Standalone profit of Muthoot Finance for the year ended March 31, 2020 increased by 53% at Rs.3,018crs.”

George Alexander Muthoot, Managing Director , on this occasion stated , “Company could open majority of its branches since April 20 and as of now all branches are functioning normally. Disbursements and collections have normalized and we are expecting increase in disbursement once movement of people increases and economic activity level picks up. Company continues to maintain adequate liquidity to meet all repayment obligations. We have been able to raise fresh Commercial paper, NCDs, Bank limits etc. We are looking to grow gold loan business by about 15% for the whole year.”

**Financial Highlights (MFIN) :**

| | FY20 | FY19 | YOY | Q4 FY20 | Q4 FY19 | YOY |
|-------------------------------|-------------|-------------|-----|-------------|-------------|-----|
| | (Rs.in Crs) | (Rs.in Crs) | | (Rs.in Crs) | (Rs.in Crs) | |
| Total Income | 8,723 | 6,881 | 27% | 2,403 | 1,880 | 28% |
| Profit Before Tax | 4,057 | 3,077 | 32% | 1,097 | 794 | 38% |
| Profit After Tax | 3,018 | 1,972 | 53% | 815 | 512 | 59% |
| Earnings Per Share(Basic) Rs. | 75.31 | 49.27 | 53% | 20.33 | 12.77 | 59% |
| Loan Assets | 41,611 | 34,246 | 22% | 41,611 | 34,246 | 22% |
| Branches | 4,567 | 4,480 | 2% | 4,567 | 4,480 | 2% |

| Particular | FY20 | FY19 | Q4 FY20 | Q4 FY19 |
|-------------------------------|--------|--------|---------|---------|
| Return on Average Loan assets | 8.11% | 6.31% | 8.13% | 6.13% |
| Return on Average Equity | 28.26% | 22.40% | 28.39% | 21.46% |
| Book Value Per Share (Rs.) | 288.43 | 244.27 | 288.43 | 244.27 |

| Particular | FY20 | FY19 |
|---------------------------------------|--------|-------|
| Capital Adequacy Ratio | 25.47 | 26.05 |
| Share Capital & Reserves (Rs. in Crs) | 11,572 | 9,793 |

Business Highlights (MFIN):

| Particular | FY20 | FY19 | Growth (YoY) |
|---|--------|--------|--------------|
| Branch Network | 4,567 | 4,480 | 2% |
| Gold Loan Outstanding (Rs. in Cr) | 40,772 | 33,585 | 21% |
| Credit Losses (Rs. in Cr) | 59.92 | 25.92 | 131% |
| % of Credit Losses on Gross Loan Asset Under Management | 0.14% | 0.08% | 75% |
| Average Gold Loan per Branch (Rs. In Cr) | 8.93 | 7.50 | 19% |
| No. of Loan Accounts (in lakh) | 80.22 | 80.62 | -0.5% |
| Total Weight of Gold Jewellery pledged (in tonnes) | 175.76 | 169.50 | 4% |
| Average Loan Ticket Size | 50,824 | 41,658 | 22% |
| No. of employees | 25,554 | 24,224 | 5% |

Other Highlights(MFIN):

1. Muthoot Finance Ltd raises USD 550 million from International Bond Markets

During February 2020, Muthoot Finance Ltd., successfully placed second tranche of Offshore Bond -USD 550 Million Fixed Rate Senior Secured Note issuance in 144A / Reg S format for a 3.5year tenor at 4.400% in accordance with RBI's ECB Guidelines and other applicable laws.

The final order book was in excess of USD 1.6 Billion with oversubscription of more than 2.9x reflecting the strong demand for the company's bonds. The transaction witnessed 37% participation from Asia, 13% from Europe and 50% from US; with 89% investments from fund managers, 6% from private banks, 3% from insurance & banks and 2% from others. The bonds are listed on International Securities Market of the London Stock Exchange.

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 FY20, it has insured more than 27,71,000 lives with a first year premium collection of Rs.2,059million under Traditional, Term and Health products. The same was 22,10,000 lives with a first year premium collection of Rs.1,738Million in FY19 respectively.

Key Business Parameters

| Particulars | FY20 | FY 19 |
|--|-----------|-----------|
| Total Premium Collection (Rs. In millions) | 3232 | 2676 |
| No. of Policies | 28,06,336 | 22,40,560 |

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 programme 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 | FY20 | FY 19 |
|--|--------|--------|
| No. of branches | 107 | 96 |
| No. of Sales Offices | 107 | 132 |
| No. of Employees | 412 | 382 |
| | | |
| Loan Portfolio | 19,769 | 19,075 |
| | | |
| Capital Adequacy Ratio | 52% | 46% |
| | | |
| Total Revenue | 2,876 | 2,257 |
| Total Expense | 2,452 | 1,746 |
| Profit Before Tax | 424 | 511 |
| Profit After Tax | 318 | 363 |
| Shareholder's Funds | 4,260 | 3,942 |
| Total Outside Liabilities | 14,590 | 15,530 |
| Total Assets | 18,850 | 19,472 |
| | | |
| Stage III Loan Assets | 338 | 142 |
| % Stage III asset on Gross Loan Asset | 1.71% | 0.74 |
| Stage III ECL Provision | 111 | 55 |
| ECL Provision | 179 | 131 |
| ECL Provision as a % of Gross Loan Asset | 0.91 | 0.69 |

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 March 31, 2020, BML operations are spread over 17 states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha, Chhattisgarh, Gujarat, Rajasthan, Bihar, Uttar Pradesh, Haryana, Punjab, West Bengal, Uttarakhand, Jharkhand, Tripura and Pondicherry). It has 603 branches, with 155 controlling regional offices and employing 4,425 staff. Its gross loan portfolio has grown from INR 0.20 million in March 2009 to INR 26,310 million in March 2020. For FY 20, its Net Profit after Tax was Rs.990million and had a net worth of Rs.4,978million.

Key Financial Parameters

(Rs. In Millions)

| Particulars | FY20 | FY 19 |
|--|--------|--------|
| No. of branches | 603 | 400 |
| No. of Employees | 4,425 | 2,876 |
| Gross Loan Portfolio | 26,310 | 18,419 |
| Capital Adequacy Ratio | 26% | 26% |
| Total Revenue | 5,007 | 3,681 |
| Total Expense | 3,675 | 2,650 |
| Profit Before Tax | 1,332 | 1,031 |
| Profit After Tax | 990 | 729 |
| Shareholders' Funds | 4,978 | 4,002 |
| Total Outside Liabilities | 20,210 | 16,437 |
| Total Assets | 25,188 | 20,439 |
| Stage III Loan Assets | 240 | 211 |
| % Stage III asset on Gross Loan Asset | 0.91 | 1.15 |
| Stage III ECL Provision | 216 | 188 |
| ECL Provision | 369 | 264 |
| ECL Provision as a % of Gross Loan Asset | 1.40 | 1.43 |

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 48 years, evolving to serve the growing needs of people of Sri Lanka.

As on March 31, 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 29 branches across Sri Lanka. It has total staff strength of 495 currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.

| Key Financial Parameters | LKR in millions | |
|---------------------------|-----------------|----------|
| | FY20 | FY 19 |
| LKR/INR | 0.388758 | 0.395775 |
| No. of Branches | 29 | 23 |
| No. of Employees | 495 | 553 |
| Loan Portfolio | 13,839 | 12,569 |
| Capital Adequacy Ratio | 17% | 19% |
| Total Revenue | 3,332 | 2,869 |
| Total Expenses | 3,239 | 2,775 |
| Profit Before Tax | 93 | 94 |
| Profit After Tax | 70 | 101 |
| Shareholders' Funds | 2,172 | 1,953 |
| Total Outside Liabilities | 12,983 | 11,946 |
| Total Assets | 15,155 | 13,899 |

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 31st March, 2020 it has a total loan portfolio of Rs.5,090Million.

Key Financial Parameters:

(Rs. in millions)

| Particulars | FY 20 | FY 19 |
|--|-------|-------|
| No. of branches | 24 | 21 |
| No. of employees | 304 | 247 |
| | | |
| Gross Loan Portfolio | 5,090 | 3,107 |
| | | |
| Capital Adequacy Ratio (%) | 20 | 32 |
| | | |
| Total Revenue | 704 | 156 |
| Total Expense | 665 | 149 |
| Profit Before Tax | 39 | 7 |
| Profit After Tax | 27 | 3 |
| | | |
| Stage III Loan Assets | 249 | 0 |
| % Stage III asset on Gross Loan Asset | 4.89% | 0 |
| Stage III ECL Provision | 65 | 0 |
| ECL Provision | 143 | 15 |
| ECL Provision as a % of Gross Loan Asset | 2.81 | 0.47 |
| | | |
| Shareholders' Funds | 1,062 | 1,035 |
| Total Outside Liabilities | 4,323 | 2,317 |
| Total Assets | 5,385 | 3,352 |