



Muthoot Finance Limited

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May 19, 2023

Ref: SEC/MFL/SE/2023/4748

National Stock Exchange of India Limited
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 year ended March 31, 2023

The Company's Board of Directors at their meeting held today i.e., May 19, 2023, has announced the Audited Financial Results for the quarter and year ended March 31, 2023.

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

Thank You,

For **Muthoot Finance Limited**

Rajesh A
Company Secretary
ICSI Membership No. FCS 7106



Highest-ever Quarterly Gold Loan Disbursement:

Rs. 51,850 Crores



All-time high Gold Loan Growth in any Q4:

Rs. 5,051 Crores



All-time high Interest Collection in any Quarter:

Rs. 2,677 Crores



Increase in Consolidated Profit After Tax:

8% QoQ at Rs. 1,009 Crores



Total Branches as on March 31, 2023:

5,838 with 259 new branches opened during the year



Muthoot Finance certified as 'Great Place to Work' for 2nd Year in a row by Great Place to Work Institute



Muthoot Finance certified as 'India's Most Trusted Financial Services Brand' for 7th Year in a row by TRA's Brand Trust Report 2023



In addition to Mr. Amitabh Bachchan, Muthoot Finance also engaged Mrs. Madhuri Dixit as our Brand Ambassador in February 2023.



Kochi, May 19, 2023:

Historic Highest Growth in Loan Assets of Rs. 5,479 crores in Q4 FY23
Historic Highest Growth in Gold Loan Assets of Rs.5,051 crores in Q4 FY23
Historic Highest Disbursements in Gold Loan Assets of Rs. 51,850 crores in Q4 FY23

Consolidated Loan AUM stood at Rs. 71,497 crores, up by 10% QoQ
Consolidated Profit after Tax stood at Rs. 1,009 crores for Q4FY23, up by 8% QoQ
Standalone Loan AUM stood at Rs. 63,210 crores, up by 9% QoQ
Standalone Profit after tax stood at Rs. 903 crores for Q4FY23

New Products Launched

Small Business Loans

Small businesses are the backbone of the Indian economy, accounting for over 90% of all businesses in the country. Access to credit is essential for the growth of small businesses in India, however, small businesses often face challenges in accessing credit, due to a lack of collateral and a lack of credit history. This can make it difficult for small businesses to grow and expand.

MFIN has launched Small Business Loans to address prevailing gap of credit access to MSME segment with unsecured loan ticket size upto ₹10 lakhs. The new SBU envisages to leverage the large branch network and customer base of MFIN to cross sell SBL. SBL will be completely on digital platform aiming for best TAT and one of the best customer experiences. Our operations have commenced in all the major metros and we plan to expand to all tier 2 and tier 3 locations in phase 2.

Micro-Personal Loans

As part of our initiatives to leverage the existing customer base and to position ourselves as a one-stop financial service provider, we are now offering a pre- approved personal loan (Micro PL) to eligible customers. The maximum loan amount is upto ₹ 1 Lakh and the entire loan journey is digital. The launch of this product has expanded our product range, increased our customer-engagement process and can now cater to their diverse financial needs.

Key Subsidiaries - "Growth now revived"

Muthoot Homefin

- Muthoot Homefin disbursements jumped growing at 106% YOY from Rs.84 crores in FY22 to Rs.173 crores in FY23.
- Significant jump of 153% in disbursements during Q4 FY23 (Rs.84 crores) when compared to (Rs.33 crores) in Q3 FY23.
- We plan to grow disbursement by 400% in FY 24 as per compared to FY23.
- We plan to expand our branch network by opening 26 new branches across states in FY24.
- Focus on strengthening our distribution channel i.e DSA & Connectors empanelment PAN INDIA.
- Our Sales Manpower count as on today stands at 230 employees which is 50 % increase from FY22 end. And we plan to take this count up-to 600 by Q3 FY24 end.

**Muthoot Money**

- Vehicle loan disbursement in Q4 FY 23: 24 crores as against disbursements in 9M FY23 of Rs.20 crores

Belstar Microfinance

- Company crossed Rs.6192 crores Loan AUM as of March 2023 , Net worth Crossed Rs.1,000 crores and Total Revenue crossed Rs.1,000 crores, YoY growth of 42%
- Collection efficiency remaining 99% for regular accounts.
- Profit after Tax for the Company reported at Rs.130 crores , YoY Growth of 189%

Corporate Social Responsibility

As a socially responsible company, MFIN fulfilled its Corporate Social Responsibility commitment with an over spent of 101% during FY23. MFIN has spent a total of Rs. 96 crores, which is Rs. 69 lakhs in excess of its statutory budget of FY23. The company has allocated more than 100 crores for FY 24 with an emphasis on the areas of Environment, Health, and Education in order to alleviate poverty and uplift the financially deprived section of the community.

Other Key Highlights:

- **Muthoot Finance certified as “India’s Most Trusted Financial Services Brand” for 7th year in a row by TRA’s Brand Trust Report 2023.**
- **Muthoot Finance certified as a Great Place to Work by Great Place to Work Institute for 2nd year in a row in Dec’22.**
- **Opened 67 new branches in Q4FY23**
- **Interim dividend for FY 23 of 220% ie., Rs.22/- per Equity Share of Rs.10/- each involving a payout of Rs.883crores.**
- **Raised Rs. 250+ crores through the 30th Public Issue of Secured Redeemable Non-Convertible Debentures.**
- **Extended its National Pension Scheme offering to domestic and NRI customers through iMuthoot Application.**
- **Engaged Smt Madhuri Dixit as our additional Brand Ambassador.**
- **Launched a new marketing campaign: ‘Kholiye Khushiyan Ki Tijori!’.**

A meeting of the Board of Directors of Muthoot Finance Ltd. was held today to consider and approve the audited standalone and consolidated results for the year ended March 31, 2023.

Consolidated Results of Muthoot Finance Ltd

Muthoot Finance Ltd Consolidated Loan Assets Under Management grew **11%** YoY to Rs.**71,497** crores in FY23 as against Rs.**64,494** crores last year. During the quarter, Consolidated Loan Assets Under Management increased by **10%**. Consolidated Profit after tax increased by **8%** QoQ to Rs.**1,009** crores as against Rs.**934** crores last quarter.



(Rs. in crores)

Financial Performance	Q4FY23	Q3FY23	QoQ %	Q4FY22	YoY %	FY23	FY22	YoY %
Group Branch Network	5,838	5,810	0.48%	5,579	5%	5,838	5,579	5%
Consolidated Gross Loan Assets of the Group	71,497	65,085	10%	64,494	11%	71,497	64,494	11%
Consolidated Profit of the Group	1,009	934	8%	1,006	0.30%	3,670	4,031	-9%
Contribution in the Consolidated Gross Loan Assets of the Group								
Muthoot Finance Ltd	62,950	57,571	9%	58,005	9%	62,950	58,005	9%
Subsidiaries	8,547	7,514	14%	6,489	32%	8,547	6,489	32%
Contribution in the Consolidated Profit of the Group								
Muthoot Finance Ltd	900	900	0%	960	-6%	3,467	3,949	-12%
Subsidiaries	109	34	221%	46	137%	203	82	148%

Commenting on the company's performance, **Mr. George Jacob Muthoot, Chairman, Muthoot Group** said, "We achieved highest ever consolidated loan assets growth in any Q4 of Rs. 5,479 crores. Consolidated Profit after tax for Q4 stood at Rs.1,009 crores. Our vision is to remain leader in gold loan business and at the same time cater to large customer base with various loan products to meet their varied requirements. In this process, we expect to grow the loan book by 10-15% during FY 24. We continue to engage in various social projects and has spent Rs.96crores under CSR during FY23. We continue to share the profits generated during the year to our shareholders by paying an interim dividend of 220% ie., Rs.22/- per Equity Share of Rs.10/- each which involved a total payout of Rs.883crs."

Mr. George Alexander Muthoot, Managing Director said, "The Gold Loan assets growth during Q4 FY23 of Rs.5,479 crores was the highest ever in any Q4. The disbursements also stood historic high in any Q4 at Rs.51,850 crores. Profit after tax remained steady for the quarter at Rs.903 crores. Increase in Stage 3 assets is purely an accommodation given to customers for few more months on the back of higher collateral value and we do not envisage any loss on account of the extended time. We have entered into new lending products like small business loans as well as micro personal loans. We intend to achieve calibrated growth in these new products during FY 24. We also see revival in disbursements in subsidiaries. Microfinance achieved a YoY loan growth of Rs.1,827crores. Housing Finance business achieved a QoQ loan growth of Rs.28 crores Vehicle finance business achieved a disbursement of Rs.24 crores in Q4 FY23 as against Rs.20crores during 9M FY23.

Standalone Results of Muthoot Finance Ltd and its subsidiaries

Muthoot Finance Ltd (MFIN), India's largest gold financing company in terms of loan portfolio, registered net profit of Rs. **3,474** crores in FY23 as against Rs. **3,954** crores in FY22. The net profit stood at Rs. **903** crores in Q4 FY23 as against Rs. **960** crores in Q4FY22. Loan Assets stood at Rs. **63,210** crores as compared to Rs. **58,053** crores last year, registering a growth of **9%** YoY. Gold Loan Assets stood at Rs. **61,875** crores as compared to Rs. **57,531** crores last year, registering a growth of **8%** YoY. During Q4 FY23, Loan Assets grew by Rs. **5,479** crores, **9%** QoQ.

Muthoot Homefin (India) Ltd (MHIL), the wholly owned subsidiary, Loan AUM stood at Rs. **1,438** crores as against Rs. **1,470** crores last year. Total revenue for FY23 stood at Rs. **155** crores. Profit after tax increased to Rs. **10** crores in FY23 as against Rs. **8** crores, an increase **25%** YoY. Stage III Asset as percentage of Net Loan Asset stood at **4.01%** as on March 31, 2023 as compared to **2.93%** as of March 31, 2022.

M/s. Belstar Microfinance Limited (BML), is an RBI registered micro finance NBFC and a subsidiary company where Muthoot Finance holds **56.97%** stake. Loan portfolio for FY23 stood at Rs. **6,193** crores, as against Rs. **4,366** crores in FY22, an increase of **42%** YoY. Profit after tax increased to Rs. **130** crores in FY23, as against Rs. **45** crores last year, up **189%** YoY. Stage III Asset as percentage of Net Loan Asset reduced to **2.43%** as of March 31, 2023 as compared to **5.79%** as of March 31, 2022.

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. **651** crores in FY23 as against Rs. **479** crores last year. Profit after Tax increased to Rs. **46** crores in FY23, as against Rs. **28** crores last year.

Asia Asset Finance PLC (AAF) is a subsidiary based in Sri Lanka where Muthoot Finance holds **72.92%** stake. Loan portfolio grew to LKR **2,120** crores during FY23, as against LKR **1,735** crores last year, an increase of **22%** YoY. Total revenue for FY23 rose to LKR **601** crores, as against LKR **318** crores during last year. Profit after tax increased to LKR **30** crores in FY23, as against profit of LKR **12** crores last year.

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 gold loans and loans for commercial vehicles and equipments. Loan portfolio for FY23 increased to Rs. **387** crores, as against Rs. **207** crores last year. Total revenue for FY23 grew by **24%** to Rs. **56** crores, as against Rs. **45** crores during last year. Profit after Tax increased to Rs. **0.24** crores in FY23 from a loss of Rs. **7** crores last year.

**Other Highlights:****Financial Highlights (MFIN): Standalone results for Muthoot Finance Ltd.****(Rs. in Crores)**

Particulars	Q4FY23	Q3FY23	QoQ %	Q4FY22	YoY %	FY23	FY22	YoY %
Total Income	2,864	2,667	7%	2,678	7%	10,544	11,098	-5%
Profit Before Tax	1,216	1,207	1%	1,292	-6%	4,666	5,309	-12%
Profit After Tax	903	902	0.11%	960	-6%	3474	3954	-12%
Earnings Per Share (Basic) Rs.	22.49	22.46	0.13%	23.93	-6%	86.54	98.55	-12%
Loan Assets	63,210	57,731	9%	58,053	9%	63,210	58,053	9%
Branches	4,739	4,672	1%	4,617	3%	4,739	4,617	3%

Particulars	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
Return on Average Loan assets	5.97%	6.27%	6.81%	5.93%	7.24%
Return on Average Equity	17.53%	18.32%	21.48%	17.63%	23.55%
Book Value Per Share (Rs.)	524.56	501.59	456.98	524.56	456.98

Particulars	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
Capital Adequacy Ratio	31.77	33.29	29.97	31.77	29.97
Share Capital & Reserves (Rs. in Cr)	21,062	20,139	18,345	21,062	18,345

Business Highlights (MFIN):

Particulars	FY23	FY22	Growth (YoY)
Branch Network	4,739	4,617	3%
Gold Loan Outstanding (Rs. in Cr)	61,875	57,531	8%
Credit Losses (Rs. in Cr)	16.92	28.94	-42%
% of Credit Losses on Gross Loan Asset Under Management	0.03%	0.05%	-40%
Average Gold Loan per Branch (Rs. in Cr)	13.06	12.46	5%
No. of Loan Accounts (in lakh)	81	84	-4%
Total Weight of Gold Jewellery pledged (in tonnes)	180	187	-4%
Average Loan Ticket Size	75,940	61,080	24%
No. of employees	27,273	26,716	7%

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 a Direct Broker from IRDA since 2013. It is actively distributing both life and non-life insurance products of various insurance companies. During FY23, it has insured **46,36,337** lives with a first year premium collection of Rs. **490 crores** under traditional, term and health products. The same was **35,56,144** lives with a first year premium collection of Rs. **327** crores in FY22.

Key Business Parameters

(Rs. in Crores)

Particulars	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
Total Premium Collection	203	165	186	651	479
No. of Policies (in lakhs)	13	9	11	47	36
Total Revenue	21	22	16	68	45
Profit After Tax	15	15	11	46	28

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 and Care Ratings Ltd.

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

**Key Financial Parameters**

(Rs. in Crores)

Particulars	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
No. of branches	108	108	108	108	108
No. of Sales Offices	108	108	108	108	108
No. of Employees	346	318	243	346	243
Gross Loan AUM	1,438	1,410	1,470	1,438	1,470
Net Loan Asset	1,087	1,042	1,054	1,087	1,054
Capital Adequacy Ratio	66%	63%	60%	66%	60%
Total Revenue	39	41	61	155	214
Total Expense	35	35	55	141	204
Profit Before Tax	4	5	6	14	10
Profit After Tax	3	4	6	10	8
Shareholder's Funds	457	455	447	457	447
Total Outside Liabilities	754	733	836	754	836
Total Assets	1211	1,188	1,283	1211	1,283
Stage III Loan Assets	44	45	31	44	31
% Stage III asset on Net Loan Asset	4.01%	4.36%	2.93%	4.01%	2.93%
Stage III ECL Provision	29	28	18	29	18
ECL Provision	36	35	26	36	26
ECL Provision as a % of Net Loan Asset	3.29%	3.32%	2.44%	3.29%	2.44%
No. of Customers	21,223	20,957	21,035	21,223	21,035

About Belstar Microfinance Limited (BML):

BML was incorporated in 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 **56.97%** of equity share capital in 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 fourteen 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, 2023, BML operations are spread over 13 states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha, Chattisgarh, Gujarat, Rajasthan, Bihar, Uttar Pradesh, Uttarakhand, West Bengal, and Pondicherry). It has **767** branches, with **132** controlling regional offices and employing **8022** staff. Gross loan portfolio has grown to Rs. **6,193** crores as of March 31, 2023 as against Rs. **4,366** crores during last year. Net Profit after tax for FY23 increased to Rs. **130** crores as against Rs. **45** crores in FY22 and Net worth surged to Rs. **1,092** crores as of March 31, 2023.

CRISIL has upgraded the long term debt rating of 'CRISIL AA-/Stable' to 'CRISIL AA-/Positive' which indicates, "high degree of safety regarding timely servicing of financial obligations and carry very low credit risk".

Key Financial Parameters

(Rs. in crores)

Particulars	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
No. of branches	767	821	729	767	729
No. of Employees	8,022	7,649	5,939	8,022	5,939
Gross Loan AUM	6,193	5,341	4,366	6,193	4,366
Net Loan Assets	4,713	4,454	3,712	4,713	3,712
Capital Adequacy Ratio	22%	23%	24%	22%	24%
Total Revenue	332	252	241	1,038	728
Total Expense	224	235	204	869	672
Profit Before Tax	108	17	37	169	56
Profit After Tax	82	14	29	130	45
Shareholder's Funds	1,092	1,011	856	1,092	856
Total Outside Liabilities	5,135	4,197	3,704	5,135	3,704
Total Assets	6,227	5,208	4,560	6,227	4,560
Stage III Loan Assets	115	330	215	115	215
% Stage III asset on Net Loan Asset	2.43%	7.40%	5.79%	2.43%	5.79%
Stage III ECL Provision	84	244	162	84	162
ECL Provision	96	258	224	96	224
ECL Provision as a % of Net Loan Asset	2.03%	5.80%	6.03%	2.03%	6.03%

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 53 years, and has evolved to serve the growing needs of people of Sri Lanka.

As on March 31, 2023, total holding in AAF by Muthoot Finance stood at **9.06 crores** equity shares representing **72.92%** of their total capital and **3.97 crores** preference shares representing **95.87%** of their 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 on 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 **75** branches across Sri Lanka. It has total staff strength of **590** currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.

Key Financial Parameters
(LKR in crores)

Particulars	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
LKR/INR	0.249700	0.225911	0.257069	0.249700	0.257069
No. of Branches	75	70	59	75	59
No. of Employees	590	454	526	590	526
Gross Loan AUM	2,120	2,078	1,735	2,120	1,735
Capital Adequacy Ratio	26%	25%	28%	26%	28%
Total Revenue	177	160	92	601	318
Total Expenses	173	149	86	565	298
Profit Before Tax	4	11	7	36	20
Profit After Tax	7	8	4	30	12
Shareholder's Funds	301	296	275	301	275
Total Outside Liabilities	2200	2,062	1,659	2200	1,659
Total Assets	2501	2,358	1,934	2501	1,934

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 gold loans and loans for Cars, Two Wheelers, Commercial Vehicles and Equipment. The operations are now centered in Hyderabad. CRISIL Ltd assigned long term debt rating of AA/Stable for its bank limits. As on March 31, 2023 Muthoot Money Ltd. has a total loan portfolio of Rs. **387** crores as against Rs.**207** crores last year.



Key Financial Parameters:

(Rs. in crores)

Particulars	Q4FY23	Q3FY23	Q4FY22	FY23	FY22
No. of branches	149	139	66	149	66
No. of employees	920	818	365	920	365
Gross Loan AUM	387	293	207	387	207
Capital Adequacy Ratio (%)	24%	31%	46%	24%	46%
Total Revenue	17	16	12	56	45
Total Expense	13	20	10	56	54
Profit Before Tax	4	-4	2	0.34	-9
Profit After Tax	3	-3	1.53	0.24	-7
Stage III Loan Assets	14	22	14	14	14
% Stage III asset on Gross Loan AUM	3.73%	7.50%	6.62%	3.73%	6.62%
Stage III ECL Provision	6	10	5	6	5
ECL Provision	8	12	6	8	6
ECL Provision as a % of Gross Loan AUM	2.01%	3.96%	2.93%	2.01%	2.93%
Shareholders' Funds	104	101	104	104	104
Total Outside Liabilities	330	230	123	330	123
Total Assets	434	331	227	434	227
