

August 06, 2021

Ref: SEC/MFL/SE/2021/4016

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 Un-audited Financial Results for the quarter June 30, 2021


The Board of Directors of the Company at their meeting held today i.e., August 06, 2021 has announced the Unaudited Financial Results for the quarter ended June 30, 2021.

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, August 06, 2021:

Consolidated Loan Assets Under Management increased by 25% YoY at Rs.58,135crs

Consolidated Profit after Tax increased by 14% YoY at Rs.979crs

Standalone Loan Assets Under Management increased by 27% YoY at Rs.52,614crs

Standalone Profit after tax increased by 16% YoY at Rs.971crs

Management Quote

Commenting on the results **Mr. George Jacob Muthoot, Chairman** stated, *“As second wave of pandemic hit across the country in the first quarter, amidst selective lock downs at state and local level, we took all efforts to open our branches and maintain our services to the extent possible. Thanks to all our 25000+ workforce, we were able to maintain our Consolidated Loan AUM on QoQ basis inspite of the tough environment. However, compared to last year, Loan assets grew by 25% at Rs.58,135crs. Profit after tax for the quarter increased by 14% at Rs.979crs compared to last year.”*

Speaking on the occasion **Mr. George Alexander Muthoot, Managing Director** said, *“We consciously decided to go slow in terms of non-gold lending business on account of continued uncertainty and emerging uncertain credit behavior. We are redrawing our strategies in terms of non-gold lending business and we are confident to emerge stronger as environment improves. On Gold Loan front, we are targeting 15% growth in the remaining 3 quarters.”*

Consolidated Results of Muthoot Finance Ltd

Muthoot Finance Ltd Consolidated Loan Assets under management achieved a YoY increase of **25%** at Rs. **58,135crs** as at Q1 FY22 as against last year of Rs. **46,501crs**. During the quarter, Consolidated Loan Assets under management decreased by Rs. **145crs**. Consolidated Profit after tax achieved a YOY increase of **14%** of Rs. **979crs** as against last year of Rs. **858crs**.

	Q1 FY22	Q4 FY21	QoQ %	Q1 FY21	YoY %	FY21
Group Branch Network	5,443	5,451	(0.15)%	5,330	2%	5,451
Consolidated Gross Loan Assets of the Group (Rs. In crores)	58,135	58,280	(0.25)%	46,501	25%	58,280
Consolidated Profit of the Group (Rs. In crores)	979	1,024	(4)%	858	14%	3,819
Contribution in the Consolidated Gross Loan Assets of the Group						
Muthoot Finance Ltd	52,493	52,394	(0.19)%	40,906	28%	52,394
Subsidiaries	5,642	5,886	(4)%	5,595	1%	5,886
Contribution in the Consolidated Profit of the Group						
Muthoot Finance Ltd	969	991	(2)%	835	16%	3,700
Subsidiaries	10	33	(70)%	23	(57)%	119

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 **16%**, at Rs. **971crs** for Q1FY22 as against Rs.**841crs** for Q1 FY21. Loan Assets stood



at Rs. **52,614**crs compared to Rs. **41,296**crs previous year, Y-o-Y growth of **27%**. During the quarter, gold loan assets increased by Rs. **142**crs.

Muthoot Homefin (India) Ltd (MHIL), the wholly owned subsidiary, has a loan portfolio of Rs. **1705**crs as against previous year of Rs. **1979**crs. During Q1 FY22, loan portfolio increased by approximately by Rs. **1**crs. Total revenue for Q1 FY22 stood at Rs.**46**crs as against Rs. **59**crs in the previous year. It achieved a profit after tax of Rs.**0.48**crs in Q1 FY22 as against Rs.**0.41**crs in the previous year. Its Stage III Asset on Gross Loan Asset as on June 30, 2021 stood at **5.94%** and net of Stage 3 ECL provisions stood at **4.12%**.

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.**3,072**crs as against last year of Rs. **2,575**crs, a YoY increase of **19%**. It achieved a profit after tax of Rs.**2**crs in Q1 FY22 as against previous year profit after tax of Rs.**15**crs. Its Stage III Asset on Gross Loan Asset % as on June 30, 2021 stood at **3.67%** and net of Stage 3 ECL provisions stood at **1.25%**.

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.**61**crs in Q1 FY22 as against Rs.**44**crs in the previous year. It generated a Profit after Tax of Rs.**4.31**crs in Q1 FY22 as against Rs. **4.16**crs 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 **1429**crs as against LKR **1348**crs last year, a YoY increase of **6%**. During Q1 FY22, loan portfolio increased by LKR **29**crs. Total revenue for Q1 FY22 stood at LKR 68crs as against previous year total revenue of LKR **70**crs. It generated a Profit after Tax of LKR.**0.97** crs in Q1 FY22 as against as against previous year loss of LKR **1.69** crs , a YoY increase of **157%**.

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 Cars, Two wheelers, Commercial Vehicles and Equipments. Recently, As on June 30,2021, its loan portfolio stood at Rs.**333**crs, as against last year of Rs.**497**crs. Total revenue for Q1 FY22 stood at Rs. **11** crs. It incurred a loss of Rs **0.11**crs in Q1 FY 22 as against previous year loss of **2.47**crs. Its Stage III Asset on Gross Loan Asset % as on June 30, 2021 stood at **18.85%** and net of Stage 3 ECL provisions stood at **14.28%**.

Financial Highlights (MFIN):

	Q1 FY22	Q4 FY21	QoQ %	Q1 FY21	YoY %
	(Rs.in Crs)	(Rs.in Crs)	Change	(Rs.in Crs)	Change
Total Income	2,715	2,828	(4)%	2,385	14%
Profit Before Tax	1,300	1,350	(4)%	1,125	16%
Profit After Tax	971	996	(3)%	841	16%
Earnings Per Share(Basic) Rs.	24.21	24.81	(2)%	20.96	16%
Loan Assets	52,614	52,622	(0.02)%	41,296	27%
Branches	4,625	4,632	(0.15)%	4,573	1%



Particular	Q1 FY22	Q4 FY21	Q1 FY21
Return on Average Loan assets	7.38%	7.73%	8.10%
Return on Average Equity	25.37%	27.08%	28.16%
Book Value Per Share (Rs.)	383.33	379.70	306.99

Particular	Q1 FY22	Q4 FY21	Q1 FY21
Capital Adequacy Ratio	27.32	27.39	26.30
Share Capital & Reserves (Rs. in Crs)	15,384	15,239	12316

Business Highlights (MFIN):

Particular	Q1 FY22	Q1 FY21	Growth (YoY)
Branch Network	4,625	4,573	1%
Gold Loan Outstanding (Rs. in Cr)	52,069	40,495	29%
Credit Losses (Rs. in Cr)	9	3	200%
% of Credit Losses on Gross Loan Asset Under Management	0.017%	0.007%	143%
Average Gold Loan per Branch (Rs. In Cr)	11.26	8.86	27%
No. of Loan Accounts (in lakh)	85	76	12%
Total Weight of Gold Jewellery pledged (in tonnes)	171	165	4%
Average Loan Ticket Size	61,080	53,426	14%
No. of employees	25,397	25,430	(0.13)%

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 Q1 FY22, it has insured more than 343,500 lives with a first year premium collection of Rs. **305** million under Traditional, Term and Health products. The same was **135,000** lives with a first year premium collection of Rs. **182** Million in Q1 FY21 respectively.

Key Business Parameters

Particulars	Q1 FY 22	Q4 FY 21	Q1 FY 21	FY 21
Total Premium Collection (Rs. In millions)	606	1,479	443	4,055
No. of Policies	3,53,967	12,24,866	1,42,421	32,23,737
Total Revenue (Rs. In millions)	69	142	64	467
Profit After Tax (Rs. In millions)	43	97	42	316

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 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	Q1 FY 22	Q4 FY 21	Q1 FY 21	FY 21
No. of branches	108	108	107	108
No. of Sales Offices	108	108	107	108
No. of Employees	260	301	344	301
Gross Loan AUM	17,048	17,042	19,787	17,042
Capital Adequacy Ratio	53%	50%	47%	50%
Total Revenue	460	742	588	2,409
Total Expense	453	675	582	2,240
Profit Before Tax	7	67	6	169
Profit After Tax	5	50	4	126
Shareholder's Funds	4,392	4,387	4,264	4,387
Total Outside Liabilities	11,014	12,397	15,062	12,397
Total Assets	15,406	16,784	19,326	16,784
Stage III Loan Assets	1,012	681	337	681
% Stage III asset on Gross Loan Assets (AUM)	5.94%	4.00%	1.70%	4.00%
Stage III ECL Provision	309	207	241	207
ECL Provision	361	261	309	261
ECL Provision as a % of Gross Loan Assets (AUM)	2.12%	1.53%	1.56%	1.53%

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 twelve 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 June 30, 2021, BML operations are spread over 18 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 **651** branches, with **170** controlling regional offices and employing **4,651** staff. Its gross loan portfolio has grown from INR **0.20** million in March 2009 to INR **30,721** million in June 2021. For Q1 FY 22, its Net Profit after Tax was Rs. **20** million and had a net worth of Rs. **5,431** million.

Key Financial Parameters

(Rs. In Millions)

Particulars	Q1 FY22	Q4 FY21	Q1 FY21	FY 21
No. of branches	651	649	603	649
No. of Employees	4,651	4,562	4,197	4,562
Gross Loan AUM	30,721	32,999	25,754	32,999
Capital Adequacy Ratio	23%	22%	26%	22%
Total Revenue	1,635	1,641	1,171	5,532
Total Expense	1,616	1,511	983	4,962
Profit Before Tax	19	130	188	570
Profit After Tax	20	117	145	467
Shareholder's Funds	5,431	5,417	5,131	5,417
Total Outside Liabilities	25,832	29,256	23,454	29,256
Total Assets	31,263	34,673	28,585	34,673
Stage III Loan Assets	1,126	783	287	783
% Stage III asset on Gross Loan Assets (AUM)	3.67%	2.37%	1.11%	2.37%
Stage III ECL Provision	742	618	284	618
ECL Provision	1,273	980	418	980
ECL Provision as a % of Gross Loan Assets	4.14%	2.97%	1.62%	2.97%

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 June 30, 2021, 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 **48** branches across Sri Lanka. It has total staff strength of **425** currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.

Key Financial Parameters

(LKR in millions)

Particulars	Q1 FY22	Q4 FY 21	Q1 FY 21	FY 21
LKR/INR	0.3722875	0.3677855	0.40386	0.3677855
No. of Branches	48	48	29	48
No. of Employees	425	427	461	427
Gross Loan AUM	14,289	14,002	13,481	14,002
Capital Adequacy Ratio	14%	17%	16%	17%
Total Revenue	678	785	697	2,952
Total Expenses	650	743	714	2,865
Profit Before Tax	28	42	(17)	87
Profit After Tax	10	28	(17)	45
Shareholder's Funds	2,232	2,222	2,155	2,222
Total Outside Liabilities	13,829	13,128	12,502	13,128
Total Assets	16,061	15,350	14,657	15,350

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 Cars, Two Wheelers,



Commercial Vehicles and Equipments.. The operations are now centered in Hyderabad. CRISIL Ltd assigned long term debt rating of AA/Stable for its bank limits

As on June 30, 2021 it has a total loan portfolio of Rs. **3,326**Million.

Key Financial Parameters:
(Rs in millions)

Particulars	Q1 FY 22	Q4 FY 21	Q1 FY 21	FY 21
No. of branches	11	14	18	14
No. of employees	143	188	245	188
Gross Loan AUM	3,326	3,668	4,966	3,668
Capital Adequacy Ratio (%)	33%	29%	21%	29%
Total Revenue	106	157	198	697
Total Expense	108	148	193	656
Profit Before Tax	(2)	9	5	41
Profit After Tax	(1)	4	(25)	37
Stage III Loan Assets	627	314	180	314
% Stage III asset on Gross Loan Asset (AUM)	18.85%	8.56%	3.62%	8.56%
Stage III ECL Provision	152	129	170	129
ECL Provision	189	172	192	172
ECL Provision as a % of Gross Loan Asset (AUM)	5.68%	4.69%	3.87%	4.69%
Shareholders' Funds	1,099	1,099	1,037	1,099
Total Outside Liabilities	2,207	2,789	4,161	2,789
Total Assets	3,306	3,888	5,198	3,888
