



**Muthoot Finance Limited**

Registered Office :  
2nd floor, Muthoot Chambers,  
Opp. Saritha Theatre Complex,  
Banerji Road, Ernakulam - 682 018  
Kerala, India.  
CIN : L65910KL1997PLC 011300

Phone : +91 484 2396478, 2394712  
Fax : +91 484 2396506, 2397399  
mails@muthootgroup.com  
www.muthootgroup.com

Scrip Code: 533398  
Symbol: MUTHOOTFIN

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February 06, 2019

**National Stock Exchange of India Ltd.**

Exchange Plaza,  
Plot no. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (E), Mumbai - 400 051

**BSE Limited**

Department of Corporate Services  
P. J. Tower, Dalal Street,  
Mumbai 400 001

Dear Sir/Madam,

**Re: Press release on Unaudited Financial Results for the quarter ended December 31, 2018**

The Board of Directors at their meeting held on February 06, 2019 has announced unaudited financial results for the quarter ended December 31, 2018.

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

This is for your kind information and record thereon.

For **Muthoot Finance Limited**

Maxin James  
Company Secretary

Kochi, February 06, 2019:

## Consolidated Loan Assets Under Management increase by 19% YoY at Rs.36497crs

## Standalone Net Profit increase by 15% YoY at Rs.1460crs for 9MFY19

### Standalone & Consolidated Loan Assets of Muthoot Finance Ltd

Muthoot Finance Ltd Consolidated Loan Assets under management achieved a YoY increase of 19% at Rs.36446crs as against last year of Rs. 30717crs. During the quarter, Consolidated Loan Assets under management increased by 1% of Rs.490 crs.

	Q3FY19	YoY (%)	Q2FY19	QoQ(%)	Q1FY19	FY 18	YTD (%)
Consolidated Gross Loan Assets of the Group* (Rs. In crores)	36497	19%	35956	2%	34316	32159	13%
Gross Loan Assets of Muthoot Finance(Rs. In crores)	32470	15%	32319	0%	30997	29142	11%
Gross Loan Assets of Subsidiaries(Rs. In crores)	4027	65%	3637	11%	3319	3017	33%
Contribution of Subsidiaries in the Consolidated Gross Loan Assets of the Group*	11%		10%		10%	9%	
Group Branch Network	4882	7%	4765	2%	4688	4596	6%

\*Muthoot Finance Ltd and its 4 subsidiaries involved in lending business.

**Muthoot Finance Ltd (MFIN)**, the largest gold financing company in India in terms of loan portfolio, registered an increase in net profit of 15%, at Rs.1460crs for 9MFY19 as against Rs.1269crs in the previous year. Loan Assets stood at Rs.32470crs as at December 31, 2018 as against Rs.28269crs as at December 31,2017, Y-o-Y growth of 15%. During the quarter, Loan Assets increased by Rs. 151crs.

**Muthoot Homefin (India) Ltd (MHIL)**, the wholly owned subsidiary, increased its loan portfolio to Rs.1835crs as against previous year of Rs.1100crs, a YoY increase of 67%. During the quarter, loan portfolio increased by Rs.60crs, QoQ growth of 3%. Total revenue for Q3FY19 & 9M FY 19 stood at Rs. 57crs & 163crs as against previous year total revenue of Rs.36crs & Rs.81crs. It achieved a net profit of Rs.9crs & Rs.30crs in Q3 FY19 & 9M FY19 as against previous year profit of Rs.8crs & Rs.16crs. Its Gross and Net NPA stood at 0.74% and 0.59% as on December 31,2018.

**M/s. Belstar Investment and Finance Private Limited (BIFPL)**, an RBI registered micro finance NBFC and Subsidiary Company where Muthoot Finance holds 70.01% stake, grew its loan portfolio to Rs.1563crs as against last year of Rs.945crs, a YoY increase of 65%. During the quarter, loan portfolio increased by Rs.182crs, QoQ growth of 13%. It



achieved a profit after tax of Rs.25crs & Rs.56crs during Q3 FY19 & 9M FY19 as against previous year profit after tax of Rs.10crs & Rs.22crs. Its Gross and Net NPA stood at 0.95% and 0.41% as on December 30,2018.

**Muthoot Insurance Brokers Pvt Limited (MIBPL)**, an IRDA registered Direct Broker in insurance products and a wholly owned subsidiary company generated a First year premium collection amounting to Rs.62crs & Rs.179crs during Q3 FY19 & 9M FY19 as against Rs.22crs & Rs.59crs in the previous year. It generated a Profit after Tax of Rs.4crs & Rs.10crs during Q3 FY19 & 9M FY19 as against Rs.3crs & Rs.6crs in the previous year.

The Sri Lankan subsidiary - **Asia Asset Finance PLC. (AAF)** where Muthoot Finance holds 60% stake, increased its loan portfolio to LKR 1163crs as against last year of LKR 975crs, a YoY increase of 19%. During the quarter, loan portfolio increased by LKR 39crs , QoQ growth of 4%. Total revenue for Q3 FY19 & 9M FY19 stood at LKR 71crs & LKR 209 as against previous year total revenue of LKR 65crs & LKR 188crs. It generated a profit after tax of LKR 1cr & LKR 5crs during Q3 FY19 & 9M FY 19as against previous year profit after tax of LKR 5crs & LKR 14crs.

**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. As on 31<sup>st</sup> December, 2018 it has a total loan portfolio of Rs.187crs.

Commenting on the results **M G George Muthoot, Chairman stated**, "Third quarter was a turbulent period for all NBFCs because of concerns on liquidity scenario. Muthoot Finance as a responsible company to all the stakeholders acted cautiously and conserved liquidity rather than growth. Hence our loan assets remained flat for the quarter. However , compared to last year our growth was 15% at Rs.32470crs . Profitability increased by 15% for 9 months at Rs. 1460crs. Under IND-AS, stage 3 assets, ie., loans beyond 90days DPD , declined to Rs.637crs(1.96% of Loan Assets) on December 31 , 2018 as against Rs.1287crs(4.42% of Loan Assets) as on March 31, 2018."

Speaking on the occasion **George Alexander Muthoot, Managing Director said**, "Considering that gold loans are of short duration of around 3 to 4months, our balance sheet always carry positive ALM. Markets have realised this fact and has shown significant interest in subscribing to our Commercial Paper issuances during the quarter. Our subsidiaries achieved YoY loan growth of 65% reaching Rs. 4027crs as against last year of Rs.2448crs . They are contributing 11% of Group Loan assets. Muthoot Homefin (India) Limited has grown its loan portfolio to Rs.1835crs as against previous year of Rs.1100crs , a YoY increase of 67%. The micro finance subsidiary which has a strong SHG model increased its loan portfolio to Rs. 1563crs as against last year of Rs.945crs, a YoY increase of 65%. The NBFC in Sri Lanka increased its loan portfolio by 19% YoY. First Year Premium collections in the Insurance Broking subsidiary increased by 182% at Rs.62crs during the quarter as against previous year."

### Financial Highlights(MFIN) :

	9M FY19 (Rs.in Crs)	9M FY18 (Rs.in Crs)	YoY % Change	Q3 FY19 (Rs.in Crs)	Q2 FY19 (Rs.in Crs)	Q1 FY19 (Rs.in Crs)	Q3 FY18 (Rs.in Crs)	YoY % Change	QoQ % Change
Total Income	5000	4631	8%	1717	1650	1633	1591	8%	4%
Profit Before Tax	2283	2025	13%	782	745	755	743	5%	5%
Profit After Tax	1460	1269	15%	485	484	492	479	1%	-



Earnings Share(Basic) Rs. Per	36.50	31.77	15%	12.12	12.09	12.29	11.98	1%	-
Loan Assets	32470	28269	15%	32470	32319	30997	28269	15%	-
Branches	4422	4303	2.8%	4422	4370	4344	4303	3%	1%

	9MFY19	9MFY18	Q3 FY19	Q2 FY19	Q1 FY19	Q3 FY18
Return on Average Loan assets	6.24%	6.11%	5.99%	6.11%	6.54%	6.85%
Return on Average Equity	22.86%	23.65%	21.48%	22.70%	24.54%	24.54%
Book Value Per Share (Rs. )	231.46	194.59				

	Q3 FY19	Q2 FY19	Q1 FY19	Q3 FY18
Capital Adequacy Ratio	25.74%	25.92%	26.44%	27.65%
Share Capital & Reserves (Rs. in Crs)	9278	8790	8307	7790

### Business Highlights (MFIN):

Particular	9M FY 19	9M FY 18	Growth (YoY)
Branch Network	4422	4303	3%
Gold Loan Outstanding (Rs. in Cr)	31794	28097	13%
Credit Losses (Rs. in Cr)	5.71	12.76	-55%
% of Credit Losses on Gross Loan Asset Under Management	0.018%	0.045%	-61%
Average Gold Loan per Branch(Rs. In Cr)	7.18	6.53	10%
No. of Loan Accounts (in lakh)	81	76	7%
Total Weight of Gold Jewellery pledged (in tonnes)	166	154	8%
Average Loan Ticket Size	39477	37069	6%
No. of employees	24063	22933	5%



**Our CSR Initiatives:**

**Muthoot M George Foundation hands over first disaster resilient home to a flood affected family in Annamanada, Trichur on 27<sup>th</sup> December, 2018**



Muthoot M George Foundation, CSR wing of The Muthoot Group has handed over the first disaster resilient home to the flood-affected family of Rajeswary and Subramanian at a home dedication ceremony in Annamanada, Trichur, Kerala

The landmark occasion was graced by Mr. K R. Bijimon, Chief General Manager, The Muthoot Group, Ms. Tessy Titus, Panchayath President and Mr. Rajan Samuel, Managing Director, Habitat for Humanity India. Mr. C.V.Balasankar, GM – Credit & Operations, Mr. Babu John Malayil, DGM- Corporate Communications, The Muthoot Group, Mr. Sabu, Regional Manager, Muthoot Finance Ltd, were present on this occasion





### Foundation stone laying ceremony of Muthoot Aashiyana Project (House No. 21)



The foundation stone laying ceremony of the 21<sup>st</sup> house under "Muthoot Aashiyana Project" ( a project for construction of 200 houses for the flood victims in Kerala) was done by Mr. Hibi Eden, MLA, Ernakulam along with Mr. George M Jacob, Executive Director, Muthoot Finance Ltd. The function was held in the property of

Mr. Antony P A, Parappilly H, Edayakunnam, Chitoor, Cheranallur, Ernakulam on 11<sup>th</sup> January, 2019. Mr. Babu John Malayil, DGM, Corporate Communications, Mr. Vinod Kumar, Regional Manager, Ernakulam, etc were present on this occasion.

### Muthoot M George Foundation felicitates Toppers of 8<sup>th</sup> and 9<sup>th</sup> standard from government/aided schools across South India



Inauguration of "Muthoot M George Excellence Awards distribution 2018" for the 8<sup>th</sup> & 9<sup>th</sup> standard top of government/aided schools in South India was done by Ms. Soumini Jain, Mayor, Corporation of Cochin along with Mr. George Alexander Muthoot Managing Director, The Muthoot Group and Mr. George M Jacob, Executive Director, Muthoot Finance Ltd. The other officials present during this occasion include Dr. M L Joseph Mundanchery, Principal, St. Albert's College, Ernakulam, Mr. N.K Mohandas, BJP – Ernakulam District President.

This scholarship is benefitting 2000 students of Government/aided schools and consists of a cash prize of Rs.2000/-and a personalized memento. The scholarship award was launched in the year 2010 to the toppers of govt schools in Kerala, later in 2013 it got extended to state of Karnataka, Telangana and Andhra Pradesh.

### About Muthoot Finance Ltd:

Muthoot Finance Limited is the largest gold financing company in India in terms of loan portfolio. The company is a 'Systemically Important Non-deposit taking NBFC' headquartered in the southern Indian state of Kerala.

Operating history of Muthoot Finance has evolved over a period of 80 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 company provides personal and business loans secured by gold jewellery, or Gold Loans, primarily to individuals who possess gold jewellery but could not access formal credit within a reasonable time, or to whom credit may not be available at all, to meet unanticipated or other short-term liquidity requirements.

Company is listed on both National Stock Exchange and Bombay Stock Exchange.

### 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 FY18, it has insured more than 8,41,000 lives with a First year premium collection of Rs.101Cr under Traditional, Term and Health products. The same was 5,66,000 & 4,59,000 lives with a First year premium collection of Rs.70Cr & Rs.49Cr in FY18 & FY16 respectively.

### Key Business Parameters

Particulars	Q3 FY 19	Q2 FY 19	Q1 FY 19	Q3 FY 18	9M FY 19	9M FY 18	FY 18	FY 17
First Year Premium Collection (Rs. In crs)	62	67	49	22	179	59	101	70
No. of Policies(In Lakhs)	5.63	5.48	4.50	2.03	15.62	6.36	8.41	5.66

### 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 centralised processing based out of Corporate Office at Mumbai. MHIL has operations in 12 states - Maharashtra (including Mumbai), Gujarat, Rajasthan, Madhya Pradesh, Kerala, Karnataka, Telangana, Andhra Pradesh, Haryana, Chandigarh, Uttar Pradesh and Punjab.

MHIL has long term debt rating of AA- (Stable) for its bank limits which indicates "High degree of safety with regard to timely servicing of financial obligations and carry very low credit risk" and 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 .

CRISIL Ltd assigned long term debt rating of AA (Stable) for its bank limits 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	Q3 FY 19	Q2 FY 19	Q1 FY 19	Q3 FY 18	9M FY 2019	9M FY 2018	FY 18	FY 17
No. of branches	79	73	70	17	79	17	19	9
No. of Sales Offices	132	132	132	121	132	121	121	110
No. of Employees	347	288	243	194	347	194	221	111
Loan Portfolio	18351	17753	16210	10999	18351	10999	14,648	4,408
Capital Adequacy Ratio	46%	45%	28%	26	46%	26%	28%	37%
Total Revenue	568	562	497	358	1627	807	1259	242
Total Expense	438	412	335	229	1185	541	840	189
Profit Before Tax	130	149	162	129	441	266	419	53
Profit After Tax	88	99	111	80	298	162	278	29
Shareholder's Funds	3958	3869	2270	2044	3958	2044	2160	882
Total Outside Liabilities	14611	14198	14683	10326	14611	10326	13,700	3,624
Total Assets	18568	18067	16953	12370	18568	12370	15,860	4,506
Gross NPA(%)	0.74	0.78	0.51	0.43	0.74	0.43	0.42	-
Net NPA(%)	0.59	0.63	0.43	0.37	0.59	0.37	0.36	-

### About Belstar Investment and Finance Private Limited (BIFPL):

BIFPL 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 BIFPL. BIFPL 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 Havier District of Karnataka in March 2009 to 3 SHGs, 22 members for INR 0.02crores.

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

As of December 31, 2018, BIFPL operations are spread over 9 states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha, Chattisgarh , Rajasthan , Gujarat and Pondicherry). It has 339 branches, with 59 controlling regional offices and employing 2528 staff. Its gross loan portfolio has grown from INR 0.02 Crores in March 2009 to INR 1563 crores in December 2018. For FY 18, its Net Profit after Tax was Rs.33.66crs and had a net worth of Rs.159.48crs.

### Key Financial Parameters

(Rs. In Millions)

Particulars	Q3 FY19	Q2 FY 19	Q1 FY 19	Q3 FY18	9M FY19	9M FY 18	FY 18	FY 17
No. of branches	339	305	257	215	339	215	235	155
No. of Employees	2,528	2,305	2,046	1576	2,528	1576	1,783	1,093
Gross Loan Portfolio	15,627	13,806	12,361	9,451	15,627	9,451	11,371	5,759
Capital Adequacy Ratio	34%	24%	15%	19%	34%	19%	18%	17%
Total Revenue	888	854	749	596	2491	1497	2189	1,034
Total Expense	563	616	546	448	1725	1168	1693	874
Profit Before Tax	325	238	204	148	766	329	496	160
Profit After Tax	248	169	145	97	562	215	337	104
Shareholder's Funds	3,832	3,383	1,920	1,412	3,832	1,412	1595	903
Total Outside Liabilities	12,359	12,067	11,599	9,621	12,359	9,621	11,825	6,726
Total Assets	16,191	15,449	13,519	11,033	16,191	11,033	13,420	7,629
Gross NPA(%)*	0.95	0.88	0.83	0.84	0.95	0.84	0.76	0.10
Net NPA(%)*	0.41	0.44	0.45	0.37	0.41	0.37	0.30	0.01

\*on Gross Loan Portfolio



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

As on December 31, 2018, total holding in AAF by Muthoot Finance stood at 503 million equity shares representing 60% 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 21 branches across Sri Lanka. It has total staff strength of 525 currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.

### Key Financial Parameters

(LKR in millions)

Particulars	Q3 FY 19	Q2 FY19	Q1 FY19	Q3 FY18	9M FY19	9M FY18	FY18	FY17
LKR/INR	0.38036	0.42833	0.43263	0.41374	0.38036	0.41374	0.41551	0.42113
No. of Branches	21	17	17	17	21	17	17	15
No. of Employees	525	493	493	490	525	490	489	448
Loan Portfolio	11,630	11,237	10,680	9,746	11,630	9,746	9,950	8,662
Capital Adequacy Ratio	17%	21%	22%	20%	17%	20%	20%	19%
Total Revenue	712	693	687	645	2091	1876	2,572	2,131
Total Expenses	690	664	655	585	2008	1687	2,350	1,815
Profit Before Tax	22	29	32	60	83	190	222	316
Profit After Tax	15	22	16	47	53	143	178	278
Shareholder's Funds	1912	1897	1875	1821	1912	1821	1,859	1,737
Total Outside Liabilities	11,299	10,511	10,151	9,515	11,299	9,515	9,869	8,290
Total Assets	13,211	12,408	12,026	11,336	13,211	11,336	11,728	10,027

**About Muthoot Money Private Limited:**

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.

As on 31st December, 2018 it has a total loan portfolio of Rs.187 Crores.

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

Particulars	9M FY19	Q3 FY19	Q2 FY 19	Q1 FY 19	FY 2018
No. of branches	21	21	20	5	1
No. of employees	298	298	203	76	3
Gross Loan Portfolio	1,867	1867	830	130	65
Capital Adequacy Ratio(%)	53%	-	-	-	-
Total Revenue	85	62	20	3	11
Total Expense	121	72	42	7	8
Profit Before Tax	(36)	(10)	(22)	(4)	3
Profit After Tax	(36)	(10)	(22)	(4)	2
Shareholders Funds	996	996	12	30	32
Total Outside Liabilities	893	893	718	118	35
Total Assets	1,890	1,890	730	148	67