



**Muthoot Finance Limited**

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Scrip Code: **533398**  
Symbol: **MUTHOOTFIN**

Ref: SEC/MFL/SE/2020/3380

February 14, 2020

**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 and Nine Months ended December 31, 2019**

The Board of Directors at their meeting held on February 14, 2020 has announced unaudited financial results for the quarter and Nine Months ended December 31, 2019.

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.

For **Muthoot Finance Limited**

Rajesh A  
Company Secretary



Kochi, February 14, 2020:

**Consolidated Loan Assets Under Management increased by 21% YoY at Rs.43436crs for 9M FY20**

**Consolidated Profit after Tax increased by 49% YoY at Rs.2321crs for 9M FY20**

**Standalone Loan Assets Under Management increased by 19% YoY at Rs.38498crs for 9M FY20**

**Standalone Profit after tax increased by 50% YoY at Rs.2191crs for 9M FY20**

### Consolidated Results of Muthoot Finance Ltd

Muthoot Finance Ltd's Consolidated Loan Assets under management achieved a YoY increase of 21% at Rs.43436crs as against last year of Rs.35939crs for 9M FY20. Consolidated Profit after tax achieved a YOY increase of 49% of Rs.2321crs as against last year of Rs.1554crs for 9M FY20

	9M FY20	9M FY19	YOY %	Q3 FY20	Q2 FY20	QoQ %	Q1 FY20	FY19	YTD %
Group Branch Network	5268	4882	8%	5268	5190	2%	5092	5020	5%
Consolidated Gross Loan Assets of the Group (Rs. In crores)	43436	35939	21%	43436	40390	8%	40228	38304	13%
Consolidated Profit of the Group (Rs. In crores)	2321	1554	49%	849	909	-7%	563	2103	
Contribution in the Consolidated Gross Loan Assets of the Group									
Muthoot Finance	38123	31915	19%	38123	35250	8%	35406	33746	13%
Subsidiaries	5313	4024	32%	5313	5140	3%	4822	4558	17%
Contribution in the Consolidated Profit of the Group									
Muthoot Finance	2172	1451	50%	797	853	-7%	522	1946	
Subsidiaries	149	103	45%	52	56	-7%	41	157	

### 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 50%, at Rs.2191crs for 9M FY20 as against Rs.1461crs in the previous year. Loan Assets stood at Rs.38498crs as at December 31, 2019 as against Rs.32470crs as at December 31, 2018, Y-o-Y growth of 19%. During the quarter, gold loan assets increased by Rs. 2783crs.

**Muthoot Homefin (India) Ltd (MHIL)**, the wholly owned subsidiary, increased its loan portfolio to Rs.2025crs as against previous year of Rs.1835crs, a YoY increase of 10%. Total revenue for Q3 FY20 & 9M FY20 stood at



Rs.88crs & Rs.240crs as against previous year total revenue of Rs.57crs & Rs.161crs. It achieved a profit after tax of Rs.11crs & Rs.31crs in Q3 FY20 & 9M FY20 as against previous year profit of Rs.9crs & Rs.30crs. Its Stage III Asset on Gross Loan Asset % as on December 31, 2019 stood at 1.87%.

**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.2285crs as against last year of Rs.1563crs, a YoY increase of 46%. During Q3 FY20, loan portfolio increased by Rs.178crs. It achieved a profit after tax of Rs.26crs & Rs.77crs in Q3 FY20 & 9M FY20 as against previous year profit after tax of Rs.24crs & Rs.53crs. Its Stage III Asset on Gross Loan Asset % as on December 31, 2019 stood at 1.13%.

**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.85crs & Rs.217crs in Q3 FY20 & 9M FY20 as against Rs.62crs & Rs.179crs in the previous year. It generated a Profit after Tax of Rs.5crs & Rs.12crs in Q3 FY20 & 9M FY20 as against Rs.4crs & Rs.10crs 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 1301crs as against last year of LKR 1163crs, a YoY increase of 12%. Total revenue for Q3 FY20 & 9M FY20 stood at LKR 86crs & LKR 252crs as against previous year total revenue of LKR 71crs & LKR 209crs. It generated a profit after tax of LKR 4crs & LKR 9crs in Q3 FY20 & 9M FY20 as against previous year profit after tax of LKR 3crs & LKR 7crs.

**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. During Q3 FY20, it has increased its loan portfolio to Rs.492crs. During Q3 FY20, loan portfolio increased by Rs.65crs. Total revenue for Q3 FY20 & 9M FY20 stood at Rs.18crs & Rs.49crs.

### 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 21% at Rs.43436crs during 9M FY20 as against last year of Rs.35939crs. Consolidated Profit increased by 49% at Rs.2321crs during 9M FY20 as against last year of Rs.1554crs. During the quarter, gold loan portfolio of Muthoot Finance increased by Rs.2783crs to Rs.37724crs. Standalone profit of Muthoot Finance for the 9 months ended December 31, 2019 increased by 50% at Rs.2191crs."



## Financial Highlights (MFIN) :

	9M FY20	9M FY19	YOY	Q3 FY20	Q3 FY19	Q2 FY20	Q1 FY20	YoY	QoQ
	(Rs.in Crs)	(Rs.in Crs)		(Rs.in Crs)	(Rs.in Crs)	(Rs.in Crs)	(Rs.in Crs)		
Total Income	6312	5000	26%	2313	1717	2141	1859	35%	8%
Profit Before Tax	2944	2283	29%	1080	782	1047	817	38%	3%
Profit After Tax	2191	1461	50%	803	485	858	530	66%	-6%
Earnings Per Share(Basic) Rs.	54.68	36.50	50%	20.04	12.12	21.41	13.23	65%	-6%
Loan Assets	38498	32470	19%	38498	32470	35731	35816	19%	8%
Branches	4536	4422	3%	4536	4422	4540	4502	3%	-0.1%

Particular	9M FY20	9M FY19	Q3 FY20	Q3 FY19	Q2 FY20	Q1 FY20
Return on Average Loan assets	8.10%	6.24%	8.66%	5.99%	9.59%	6.05%
Return on Average Equity	27.57%	22.86%	29.22%	21.48%	33.74%	21.70%
Book Value Per Share (Rs.)	284.15	231.46	284.15	231.46	264.48	243.02

Particular	Q3 FY20	Q3 FY19	Q2 FY20	Q1 FY20
Capital Adequacy Ratio	26.51	25.74	27.11	24.72
Share Capital & Reserves (Rs. in Crs)	11399	9278	10599	9743

## Business Highlights (MFIN):

Particular	9M FY20	9M FY19	Growth (YoY)
Branch Network	4536	4422	3%
Gold Loan Outstanding (Rs. in Cr)	37724	31794	19%
Credit Losses (Rs. in Cr)	50	6	733%
% of Credit Losses on Gross Loan Asset Under Management	0.13%	0.02%	550%
Average Gold Loan per Branch (Rs. In Cr)	8.32	7.18	16%
No. of Loan Accounts (in lakh)	80	81	-1%
Total Weight of Gold Jewellery pledged (in tonnes)	173	166	4%
Average Loan Ticket Size	47008	39477	19%
No. of employees	25149	24063	5%



## Other Highlights(MFIN):

### 1. Public Issue of Non-Convertible Debentures

During December 2019, Company successfully completed 22nd Public Issue of Non-Convertible Debentures raising Rs.790crs.

### 2. CRISIL Rating outlook on long term rating

During January 2020, CRISIL revised our long term rating outlook from 'CRISIL AA/(Stable)' to 'CRISIL AA/(Positive)'.

## 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 Q3 FY20, it has insured more than 835,000 lives with a first year premium collection of Rs.580million. During Q3 FY19 it has insured more than 556,000 lives with a First year premium collection of Rs.399million under Traditional, Term and Health products. The same was 2,200,000 lives with a first year premium collection of Rs.1738 Million in FY19 respectively.

### Key Business Parameters

Particulars	9M FY20	9M FY19	Q3 FY20	Q2 FY20	Q1 FY 20	Q3 FY19	FY 19
Total Premium Collection (Rs. In millions)	2168	1789	854	709	606	624	2676
No. of Policies	2,011,505	1,561,993	844,496	725,805	441,204	563,207	2,240,560

## 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.

CRISIL Ltd revised long term debt rating outlook for its Bank Limits and Non Convertible Debentures from 'CRISIL AA/(Stable)' to 'CRISIL AA/(Positive)'.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	9M FY20	9M FY19	Q3 FY20	Q2 FY20	Q1 FY20	Q3 FY19	FY 19
No. of branches	107	79	107	103	101	79	96
No. of Sales Offices	107	132	107	132	132	132	132
No. of Employees	438	347	438	407	401	347	382
Loan Portfolio	20248	18351	20248	20975	19875	18351	19075
Capital Adequacy Ratio	50%	46%	50%	45%	45%	46%	47%
Total Revenue	2401	1607	878	908	616	567	2257
Total Expense	1983	1182	741	716	526	433	1746
Profit Before Tax	418	425	137	192	90	134	511
Profit After Tax	306	302	105	139	62	93	363
Shareholder's Funds	4248	3882	4248	4143	4004	3882	3942
Total Outside Liabilities	15286	14772	15286	17142	16173	14772	15530
Total Assets	19534	18654	19534	21285	20177	18654	19472
Stage III Loan Assets	335	135	335	219	160	135	142
% Stage III asset on Gross Loan Asset	1.87	0.74	1.87	1.10	0.81	0.74	0.74
Stage III ECL Provision	270	28	270	192	56	28	55
ECL Provision	341	100	341	272	134	100	131
ECL Provision as a % of Gross Loan Asset	1.91	0.55	1.91	1.36	0.68	0.55	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 December 31, 2019, BML operations are spread over 16 states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha, Chhattisgarh, Gujarat, Rajasthan, Bihar, Uttar Pradesh, Haryana, Punjab, West Bengal, Uttarakhand, Jharkhand and Pondicherry). It has 573 branches, with 101 controlling regional offices and employing 4269 staff. Its gross loan portfolio has grown from INR 0.20 million in March 2009 to INR 22,849 million in December 2019. For 9M FY 20, its Net Profit after Tax was Rs.769million and had a net worth of Rs.4748million.

### Key Financial Parameters

(Rs. In Millions)

Particulars	9M FY20	9M FY19	Q3 FY20	Q2 FY20	Q1 FY20	Q3 FY19	FY 19
No. of branches	573	339	573	498	441	339	400
No. of Employees	4269	2528	4269	3837	3309	2528	2876
Gross Loan Portfolio	22849	15639	22849	21074	19385	15639	18419
Capital Adequacy Ratio	27%	25%	27%	24%	23%	25%	26%
Total Revenue	3681	2546	1333	1270	1078	970	3681
Total Expense	2654	1818	999	887	769	629	2650
Profit Before Tax	1027	728	334	383	310	341	1031
Profit After Tax	769	525	260	281	231	239	729
Shareholders' Funds	4748	3832	4748	4509	4243	3832	4002
Total Outside Liabilities	20022	12359	20022	17586	15655	12359	16437
Total Assets	24770	16191	24770	22095	19898	16191	20439
Stage III Loan Assets	258	182	258	213	224	182	211
% Stage III asset on Gross Loan	1.13	1.17	1.13	1.01	1.16	1.17	1.15



Asset							
Stage III ECL Provision	230	135	230	191	203	135	188
ECL Provision	347	201	347	301	296	201	264
ECL Provision as a % of Gross Loan Asset	1.52	1.29	1.52	1.43	1.53	1.29	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 December 31, 2019, total holding in AAF by Muthoot Finance stood at 90 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 28 branches across Sri Lanka. It has total staff strength of 531 currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.

## Key Financial Parameters

LKR in millions

Particulars	9M FY20	9M FY19	Q3 FY20	Q2 FY20	Q1 FY20	Q3 FY19	FY 19
LKR/INR	0.39286	0.38036	0.39286	0.387005	0.389803	0.38036	0.395775
No. of Branches	28	21	28	25	24	21	23
No. of Employees	531	525	531	549	559	525	553
Loan Portfolio	13014	11630	13014	13143	12904	11630	12569
Capital Adequacy Ratio	15%	17%	15%	21%	21%	17%	19%
Total Revenue	2515	2091	860	857	798	712	2869
Total Expenses	2410	1994	818	822	770	676	2775
Profit Before Tax	105	97	42	35	28	36	94
Profit After Tax	90	67	36	29	25	29	101
Shareholders' Funds	2194	1925	2194	2158	2129	1925	1953
Total Outside Liabilities	12532	11299	12532	12340	12237	11299	11946
Total Assets	14726	13224	14726	14498	14366	13224	13899





## 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 has assigned long term debt rating of AA-/Positive for its bank limits.

As on December 31, 2019 it has a total loan portfolio of Rs.4915Million.

### Key Financial Parameters:

(Rs in millions)

Particulars	9M FY 20	9M FY19	Q3 FY20	Q2 FY20	Q1 FY 20	Q3 FY19	FY 19
No. of branches	24	21	24	24	24	21	21
No. of employees	297	219	297	277	245	219	247
Gross Loan Portfolio	4915	1826	4915	4263	3914	1826	3107
Capital Adequacy Ratio (%)	22	54	22	24	26	54	32
Total Revenue	492	76	181	169	142	53	156
Total Expense	453	84	194	126	132	42	149
Profit Before Tax	39	(8)	(13)	43	9	11	7
Profit After Tax	43	(8)	12	32	(0.4)	11	3
Stage III Loan Assets	122	0	122	38	12	0	0
% Stage III asset on Gross Loan Asset	2.45	0	2.45	0.90	0.30	0	0
Stage III ECL Provision	30	0	30	10	12	0	0
ECL Provision	94	0	94	52	48	0	15
ECL Provision as a % of Gross Loan Asset	1.88	0	1.88	1.21	1.24	0	0.47
Shareholders' Funds	1078	996	1078	1067	1035	996	1035
Total Outside Liabilities	4086	893	4086	3455	3116	893	2317
Total Assets	5164	1890	5164	4522	4151	1890	3352