



**Muthoot Finance Limited**

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August 12, 2022

Ref: SEC/MFL/SE/2022/4437

**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 Unaudited Financial Results for the quarter ended June 30, 2022**

The Board of Directors of the Company at their meeting held today i.e., August 12, 2022 has announced the Unaudited Financial Results for the quarter ended June 30, 2022.

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.

Thank You,

For **Muthoot Finance Limited**

Rajesh A  
Company Secretary  
ICSI Membership No. FCS 7106

Kochi, August 12, 2022:

**Consolidated Loan Assets Under Management stood at Rs.63,444 crore, up by 9% YoY**

**Consolidated Profit after Tax stood at Rs.825 crore for Q1 FY23**

**Standalone Loan Assets Under Management stood at Rs.56,689 crore, up by 8% YoY**

**Standalone Profit after tax stood at Rs.802 crore for Q1 FY23**

#### Key Highlights

- Received RBI approval for opening 150 new branches
- Raised Rs.643 crore through 26<sup>th</sup> and 27<sup>th</sup> Public Issue of Non-convertibles Debentures

A meeting of the Board of Directors of Muthoot Finance Ltd. was held today to consider and approve the unaudited standalone and consolidated results for the quarter ended June 30, 2022.

#### Consolidated Results of Muthoot Finance Ltd

Muthoot Finance Ltd Consolidated Loan Assets Under Management grew 9% YoY to Rs.63,444 crore in Q1FY23 as against Rs.58,135 crore in same quarter last year. During the quarter, Consolidated Loan Assets Under Management decreased by 2% QoQ. Consolidated Profit after tax declined by 16% YoY to Rs.825 crore as against Rs.979 crore in the same quarter last year.

(Rs. in Crore)

Financial Performance	Q1 FY23	Q4 FY22	QoQ %	Q1 FY22	YoY %	FY22
Group Branch Network	5,667	5,579	2%	5,443	4%	5,579
Consolidated Gross Loan Assets of the Group	63,444	64,494	-2%	58,135	9%	64,494
Consolidated Profit of the Group	825	1,006	-18%	979	-16%	4,031
Contribution in the Consolidated Gross Loan Assets of the Group						
Muthoot Finance Ltd	56,689	58,005	-2%	52,493	8%	58,005
Subsidiaries	6,755	6,489	4%	5,642	20%	6,489
Contribution in the Consolidated Profit of the Group						
Muthoot Finance Ltd	802	960	-16%	969	-17%	3,949
Subsidiaries	23	46	-50%	10	130%	82

Speaking about the results, **Mr. George Jacob Muthoot, Chairman, Muthoot Group** said, “We continue to deliver stellar performance in gold loan space. Though there is a dip in loan assets during the quarter, we have achieved a YoY growth of 9% in loan assets at Rs.63,444 crore. High frequency indicators suggest recovery in economic activity, with strong urban demand environment though the rural demand is still reviving. The Indian economy has been resilient and we are optimistic about steady demand conditions for gold loans coupled with the huge untapped opportunity in gold loan segment. The RBI approval for opening new 150 branches, coupled with the recent digital initiatives, gold Loan@home service will help us further expand and tap new customers.

**Mr. George Alexander Muthoot, Managing Director, Muthoot Finance** said, “The impact of the very low interest rate teaser loans has resulted in lower yields during Q1FY23. The launching of teaser loans was a strategic move taken in Q3 FY 22 and it enabled us to attract a set of new high value customers. During the quarter, we focused on migrating such teaser



loans to higher rate schemes and we successfully completed this exercise as on June 30, 2022. Hence the decline in loan assets by 2%. Although our live number of customers is 50 Lakh, we have a customer base of more than 4 to 5 times this number, who have had earlier transacted with us. Certainly these customers will come back to Muthoot for availing the high quality service we offer them when they require credit. We are expecting opening of 150 new branches for which approval was received from RBI to be completed by October 2022 upon which additional business will be generated.”

### 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. **802** crore in Q1FY23 as against Rs.**971** crore in Q1FY22, a decrease of **17%** YoY. Loan Assets stood at Rs. **56,689** crore as compared to Rs.**52,614** crore in the same quarter last year, registering a growth of **8%** YoY. During the quarter loan assets declined by Rs.**1,364** crore, ie. decline of **2%** QoQ.

**Muthoot Homefin (India) Ltd (MHIL)**, the wholly owned subsidiary, loan portfolio decreased to Rs. **1,475** crore as against Rs.**1,705** crore in same quarter last year. Total revenue for Q1 FY23 stood at Rs. **38** crore, down **17%** YoY. Profit after tax stood at Rs.**1.50** crore in Q1FY23 as against Rs.**0.50** crore in the same quarter last year, up **200%** YoY. Stage III Asset as percentage of Gross Loan Asset stood at **2.58%** as on June 30, 2022 as compared to **2.10%** 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 Q1FY23 stood at Rs.**4,696** crore as against Rs.**3,072** crore in Q1FY22, an increase of **53%** YoY. Profit after tax stood at Rs.**14** crore in Q1FY23, up **600%** YoY as against Rs.**2** crore in the same quarter last year. Stage III Asset as percentage of Gross Loan Asset stood at **7.33%** as of June 30, 2022 as compared to **5.73%** 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.**131** crore in Q1FY23 as against Rs. **61** crore in same quarter last year. Profit after Tax stood at Rs.**7** crore in Q1 FY23 as against Rs.**4** crore in the same quarter 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 **1,762** crore as against LKR **1,429** crore last year, an increase of **23%** YoY. Total revenue for Q1 FY23 stood at LKR **116** crore as against LKR **68** crore last year. Profit after tax stood at LKR **5** crore in Q1 FY23 as against profit of LKR **1** crore in same quarter 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 loans for commercial vehicles and equipment. Loan portfolio for Q1 FY23 stood at Rs.**198** crore as against Rs.**333** crore in same quarter last year. Total revenue for Q1 FY23 stood at Rs.**11** crore.

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

Particulars	Q1 FY23	Q4 FY22	QoQ %	Q1 FY22	YoY %
Total Income	2,509	2,678	-6%	2,715	-8%
Profit Before Tax	1,082	1,292	-16%	1,300	-17%
Profit After Tax	802	960	-16%	971	-17%
Earnings Per Share(Basic) Rs.	19.98	23.93	-17%	24.21	-17%
Loan Assets	56,689	58,053	-2%	52,614	8%
Branches	4,617	4,617	-	4,625	-0.17%

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Return on Average Loan assets	5.59%	6.81%	7.38%
Return on Average Equity	17.50%	21.48%	25.37%
Book Value Per Share (Rs.)	456.48	456.98	383.33

Particulars	Q1 FY23	Q4 FY22	Q1 FY22
Capital Adequacy Ratio	30.62	29.97	27.32
Share Capital & Reserves (Rs. in Cr)	18,325	18,345	15,384

**Business Highlights (MFIN):**

Particulars	Q1 FY23	Q1 FY22	Growth (YoY)
Branch Network	4,617	4,625	-0.17%
Gold Loan Outstanding (Rs. in Cr)	56,177	52,069	8%
Credit Losses (Rs. in Cr)	5.30	9.10	-44%
% of Credit Losses on Gross Loan Asset Under Management	0.01%	0.02%	-50%
Average Gold Loan per Branch (Rs. in Cr)	12.17	11.26	8%
No. of Loan Accounts (in lakh)	81	85	-5%
Total Weight of Gold Jewellery pledged (in tonnes)	178	171	4%
Average Loan Ticket Size	69,438	61,080	14%
No. of employees	26,618	25,397	5%

**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 Q1 FY23, it has insured more than **11,72,900** lives with a first year premium collection of Rs. **100 crore** under traditional, term and health products. The same was **343,500** lives with a first year premium collection of Rs. **31** crore in Q1 FY22.

**Key Business Parameters**

Particulars	(Rs. in Crore)			
	Q1 FY23	Q4 FY22	Q1 FY22	FY22
Total Premium Collection	131	186	61	479
No. of Policies (in lakhs)	11.84	11.22	3.53	36.03
Total Revenue	11	16	7	45
Profit After Tax	7	11	4	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.

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 carries very low credit risk".

**Key Financial Parameters**

Particulars	(Rs. in Crore)			
	Q1 FY23	Q4 FY22	Q1 FY22	FY22
No. of branches	108	108	108	108
No. of Sales Offices	108	108	108	108
No. of Employees	222	243	260	243
Loan Portfolio	1,475	1,470	1,705	1,470
Capital Adequacy Ratio	58%	60%	53%	60%
Total Revenue	38	61	46	214
Total Expense	36	55	45	204
Profit Before Tax	2	6	0.67	10
Profit After Tax	1.45	6	0.48	8
Shareholder's Funds	449	447	439	447
Total Outside Liabilities	850	836	1,101	836
Total Assets	1,299	1,283	1,540	1,283



Stage III Loan Assets	38	31	101	31
% Stage III asset on Gross Loan Asset	2.58%	2.10%	5.94%	2.10%
Stage III ECL Provision	24	18	31	18
ECL Provision	31	26	36	26
ECL Provision as a % of Gross Loan Asset	2.09%	1.75%	2.12%	1.75%

#### 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 thirteen 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, 2022, BML operations are spread over 18 states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha, Chattisgarh, Gujarat, Rajasthan, Bihar, Uttar Pradesh, Haryana, Punjab, Jharkhand, Uttarakhand, West Bengal, Tripura, Delhi and Pondicherry). It has **755** branches, with **187** controlling regional offices and employing **6596** staff. Gross loan portfolio has grown to Rs.**4,696** crores as at June 30 2022 as against Rs.**3,072** crores same quarter last year. Net Profit after tax for Q1 FY23 increased to Rs.**14** crores as against Rs.**2** crore in Q1 FY22 and Net worth stood at Rs.**978** crores.

#### Key Financial Parameters

(Rs. in Crore)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22	FY22
No. of branches	755	729	651	729
No. of Employees	6,596	5,939	4,651	5,939
Gross Loan Portfolio	4,696	4,366	3,072	4,366
Capital Adequacy Ratio	25%	24%	23%	24%
Total Revenue	210	241	152	728
Total Expense	193	204	150	672
Profit Before Tax	17	37	2	56
Profit After Tax	14	29	2	45
Shareholder’s Funds	978	856	543	856
Total Outside Liabilities	3,659	3,704	2,583	3,704
Total Assets	4,637	4,560	3,126	4,560





Stage III Loan Assets	344	250	113	250
% Stage III asset on Gross Loan Asset	7.33%	5.73%	3.67%	5.73%
Stage III ECL Provision	229	168	74	168
ECL Provision	255	224	127	224
ECL Provision as a % of Gross Loan Asset	5.43%	5.13%	4.14%	5.13%

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

As on June 30, 2022, total holding in AAF by Muthoot Finance stood at **9.06 crore** equity shares representing **72.92%** of their total capital and **Rs. 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 **63** branches across Sri Lanka. It has total staff strength of **400** currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.

#### Key Financial Parameters

(LKR in crore)

Particulars	Q1 FY23	Q4 FY22	Q1 FY22	FY22
LKR/INR	0.21897765	0.2570685	0.3722875	0.2570685
No. of Branches	63	59	48	59
No. of Employees	400	526	425	526
Loan Portfolio	1,762	1,735	1,429	1,735
Capital Adequacy Ratio	30%	28%	14%	28%
Total Revenue	116	92	68	318
Total Expenses	108	86	65	298
Profit Before Tax	8	7	3	20
Profit After Tax	5	4	1	12
Shareholder's Funds	278	275	223	275
Total Outside Liabilities	1,757	1,659	1,383	1,659
Total Assets	2,035	1,934	1,606	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 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/Positive for its bank limits. As on June 30, 2022 Muthoot Money Ltd. has a total loan portfolio of Rs.198 Crore.

**Key Financial Parameters:**
**(Rs. in Crore)**

Particulars	Q1 FY23	Q4 FY22	Q1 FY22	FY22
No. of branches	124	66	11	66
No. of employees	553	365	143	365
Gross Loan Portfolio	198	207	333	207
Capital Adequacy Ratio (%)	47%	46%	33%	46%
Total Revenue	11	12	11	45
Total Expense	11	10	11	54
Profit Before Tax	0.03	2	-0.19	-9
Profit After Tax	0.05	1.53	-0.12	-7
Stage III Loan Assets	16	14	63	14
% Stage III asset on Gross Loan Asset	7.84%	6.62%	18.85%	6.62%
Stage III ECL Provision	7	5	4	5
ECL Provision	8	6	19	6
ECL Provision as a % of Gross Loan Asset	4.00%	2.95%	5.68%	2.95%
Shareholders' Funds	104	104	110	104
Total Outside Liabilities	120	123	221	123
Total Assets	224	227	331	227