

May 26, 2022

Ref: SEC/MFL/SE/2022/4344

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, 2022

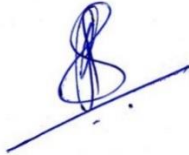
The Board of Directors of the Company at their meeting held today i.e., May 26, 2022 has announced the Audited Financial Results for the quarter and year ended March 31, 2022.

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, May 26, 2022:

Consolidated Loan Assets Under Management increased to Rs.64,494 crores, up by 11 % YoY for FY22

Consolidated Profit after Tax increased to Rs.4031crores, up by 6% YoY for FY22

Standalone Loan Assets Under Management increased to Rs.58,053 crores for FY22, up by 10% YoY

Standalone Profit after tax increased to Rs.3,954 crores for FY22, up by 6% YoY

Key Milestones for FY 2021-22

- **Consolidated Loan AUM** crossed Rs.64,000 crores in FY22
- **Consolidated Profit after Tax** crossed Rs 4,000 crores in FY22
- **Consolidated Networth** crossed Rs. 18000crores in FY22
- **Dividend of 200%** on face value of shares of Rs.10 each involving a payout of **Rs.803** crores.

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 quarter ended March 31, 2022.

Consolidated Results of Muthoot Finance Ltd

Muthoot Finance Ltd Consolidated Loan Assets under management grew **11%** YoY to Rs. **64,494** crores as at FY22 as against Rs.**58,280** crores last year. Consolidated Profit after tax for FY22 grew **6%** YoY to Rs. **4031**crores as against Rs.**3,819** crores last year.

(Rs. in Crore)

Financial Performance	FY22	FY21	YoY %
Group Branch Network	5581	5,451	2
Consolidated Gross Loan Assets of the Group	64494	58,280	11
Consolidated Profit of the Group	4031	3,819	6
Contribution in the Consolidated Gross Loan Assets of the Group			
Muthoot Finance Ltd	58,005	52,394	11
Subsidiaries	6,489	5,886	10
Contribution in the Consolidated Profit of the Group			
Muthoot Finance Ltd	3,949	3,700	7
Subsidiaries	82	119	-28

Commenting on the results, **Mr. George Jacob Muthoot, Chairman** stated, *“Despite the ongoing geo-political crisis and covid related base challenges, Muthoot Finance has delivered a consistent performance in this quarter and was able to achieve a consolidated AUM of Rs.64,494crores, registering a growth of 11% YoY. We achieved landmark level of consolidated profit after tax of Rs.4031crs for FY 2022. As the economy is gradually recovering, the demand for gold loans has been steady and we remain optimistic for the coming financial year. Gold prices have been steadily rising over the last three years and this has attracted new customers towards the product and has positively helped the sector. With Indian Households owning the world’s biggest private stock of gold, and only about ten percent in the organized gold loan market space including gold loan companies, there is huge untapped opportunity in gold loan sector. We aim to keep innovating and maintain our leadership in the gold loan sector.”*

Mr. George Alexander Muthoot, Managing Director said, *“Since we are witnessing signs of recovery in the economy, the RBI rate hike may not dampen overall demand scenario and we are expecting borrowing cost to go up gradually during*



the year. Gold loans are a great option both, in times of rise and drop in economic activities. As the economy recovers and overall economic demand revives, our focus will be to make the most of the opportunities and keep innovating further. **Gold Loan AUM grew 11% during FY22 and we remain optimistic about a growth of 12-15% in Gold loan AUM for FY23 as well.** The digital initiatives like AI-powered Voicebot platform enabling real time conversation with customers, launching of a new & improvised Muthoot WhatsApp experience and facilitating digital repayments through PayTM, PhonePe, Google Pay, WhatsApp etc. are enabling factors towards growth. We have recently also revamped our Gold Loan@Home services and plan to expand the service across 4600+ branches in India.”

He further added, “The Q4 FY22 results highlighted a steady performance in this quarter. We had disbursed fresh loans to 4.00 lakh new customers amounting to Rs.4664crs and to 4.89 lakh inactive customers amounting to Rs. 4759crores. Further, Company could register a 6% increase in profit after tax at Rs.3,954 crores for the twelve months ended March 31, 2022 and 11% growth in gold loans at Rs.57,531 crores. With respect to our subsidiaries, following the rise in demand in the economy, the collections from Micro finance, vehicle finance and home loans have improved. We aim to further improve our collections in these segments. However, we will continue to adopt a balanced growth strategy and given the ongoing macro-economic environment we continue to be cautious on the Micro finance and Vehicle finance business.”

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.**3,954** crores in FY22 as against Rs. **3,722** crores in FY21, an increase of 6% YoY. The net profit stood at Rs. **960** crores in Q4 FY22 as against Rs.**996** crores in Q4FY21. Loan Assets stood at Rs. **58,053** crores as compared to Rs.**52,622** crores last year, registering a growth of **10%** YoY. Gold Loan Assets stood at Rs. **57,531** crores as compared to Rs.**51,927** crores last year, registering a growth of **11%** YoY. During Q4 FY22, Loan Assets grew by Rs.**3,365**crs, **6%** QoQ.

Muthoot Homefin (India) Ltd (MHIL), the wholly owned subsidiary, loan portfolio stood at Rs. **1,470** crores as on March 31, 2022 as against previous year of Rs. **1704** crores, a decrease of **14%**. Total revenue for FY21 & FY22 stood at Rs. **245** crores & Rs. **214** crores respectively. It achieved a Profit after tax of Rs.**13** crores & Rs. **8** crores in FY21 & FY22 respectively. Stage III Asset as percentage of Gross Loan Asset reduced to **2.10 %** as on March 31, 2022 as compared to **4 %** as of March 31, 2021.

M/S. Belstar Microfinance Limited (BML), is a RBI registered micro finance NBFC and a subsidiary Company where Muthoot Finance holds **60.69%** stake, increased its loan portfolio to Rs. **4,366** crores as against last year of Rs. **3,300** crores, a YOY increase of **32%**. During Q4 FY22, loan portfolio increased by Rs.**530** crores. It achieved a Profit after tax of Rs.**47** crores & Rs.**45** crores in FY21 & FY22 respectively. Stage III Asset as percentage of Gross Loan Asset stood at **5.73%** as of March 31, 2022 as compared to **2.37 %** as of March 31, 2021.

Further Belstar Microfinance raised equity capital of Rs. 275 crores from a new investor Arum Holdings Limited along with existing investors Muthoot Finance Limited and Maj Invest Financial Inclusion Fund during Q4 FY22. In addition, Muthoot Finance has acquired an additional 5,88,235 equity shares in Belstar Microfinance Limited for a consideration aggregating to ₹ 20 Crores. Consequent to the new fund raise, shareholding of Muthoot Finance Ltd declined from 70.01% to 60.69%.

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. **406** crores & Rs.**479** crores in FY21 & FY22 respectively. Total revenue for FY21 & FY22 stood at Rs.**47** crores & Rs.**45** crores respectively. It achieved a Profit after tax of Rs.**32** crores & Rs.**28** crores in FY21 & FY22 respectively.

Asia Asset Finance PLC (AAF) is a subsidiary based in Sri Lanka where Muthoot Finance holds **72.92%** stake. Muthoot Finance has made an additional investment of an amount of LKR **39.69** crores in Asia Asset Finance PLC by subscribing to 3,96,87,516 convertible irredeemable preference shares of the face value of LKR 10 each during FY 2021-22. Loan portfolio grew to LKR **1,735** crores as against LKR **1,400** crores last year, an increase of **24%** YoY. Total revenue for FY21 & FY22



stood at LKR 295 crores & LKR 318 crores respectively. It achieved a Profit after tax of LKR 5 crores & LKR 12 crores in FY21 & FY22 respectively.

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 in extending loans for commercial vehicles and equipments. Loan portfolio stood at Rs.207 crores as at March 31, 2022. Total revenue for FY21 & FY22 stood at Rs.70 crores & Rs.45 crores respectively.

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

Particulars	FY22	FY21	YoY %
Total Income	11,098	10,574	5
Profit Before Tax	5,309	5,007	6
Profit After Tax	3,954	3,722	6
Earnings Per Share(Basic) Rs.	98.55	92.79	6
Loan Assets	58,053	52,622	10
Branches	4,617	4,632	-0.32

Particulars	FY22	FY21
Return on Average Loan assets	7.24%	7.99%
Return on Average Equity	23.55%	27.77%
Book Value Per Share (Rs.)	456.98	379.70

Particulars	FY22	FY21
Capital Adequacy Ratio	29.97	27.39
Share Capital & Reserves (Rs. in Cr)	18345	15,239

Business Highlights (MFIN):

Particulars	FY22	FY21	Growth (YoY %)
Branch Network	4,617	4,632	-0.32
Gold Loan Outstanding (Rs. in Cr)	57,531	51,927	11
Credit Losses (Rs. in Cr)	28.94	11.85	144
% of Credit Losses on Gross Loan Asset Under Management	0.05%	0.02%	150
Average Gold Loan per Branch (Rs. in Cr)	12.46	11.21	11
No. of Loan Accounts (in lakh)	83.70	84.10	-0.48
Total Weight of Gold Jewellery pledged (in tonnes)	187.04	170.61	10
Average Loan Ticket Size	68,739	61,743	11
No. of employees	26,716	25,911	3

Other Highlights:

Wide Spectrum of Digital Initiatives

The Company made giant strides on technology & digital fronts with the introduction of many customer-centric digital & technology initiatives.

- We revamped our corporate website based on a 'customer-first design thinking' approach and launched AI-powered Virtual Assistant 'Mattu' with multi-lingual support & voice search capability.
- We also flagged-off an AI-powered Voicebot platform that enables real time conversation with customers and expedites pending decisions through automations.
- We also scaled up our branch security to a whole new level by empowering our branches with a new-age, AI-enabled branch security system, utilizing high-end Graphics Processing Units (GPUs).
- The Company also launched a new & improvised Muthoot WhatsApp experience and facilitated digital repayments through PayTM, PhonePe, Google Pay, WhatsApp etc.

Innovative Digital Products:

The company recently announced that they are planning to expand their Gold Loan@Home service across 4600+ branches in India and customers can avail hassle-free gold loans of Rs. 1 lakh and above from the comfort and privacy of their homes. The average ticket size of loans availed under Gold Loan@Home is Rs. 6.5 lakhs and currently, about 60-65% of these Gold Loan@Home services are being availed by self-employed people to finance their business requirements.

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 FY22, it has insured **35,56,144** lives with a first year premium collection of Rs. **327** crores under traditional, term and health products. The same was **31,83,784** lives with a first year premium collection of Rs. **264** crores in FY21.

Key Business Parameters

Particulars	(Rs. in Crore)	
	FY22	FY21
Total Premium Collection	479	405
No. of Policies (in lakhs)	36	32
Total Revenue	45	47
Profit After Tax	28	32

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
(Rs. in Crore)

Particulars	FY22	FY21
No. of branches	108	108
No. of Sales Offices	108	108
No. of Employees	243	299
Loan Portfolio	1,470	1,704
Capital Adequacy Ratio	60%	50%
Total Revenue	214	245
Total Expense	204	228
Profit Before Tax	10	17
Profit After Tax	8	13
Shareholder's Funds	447	439
Total Outside Liabilities	836	1,240
Total Assets	1,283	1,678
Stage III Loan Assets	31	68
% Stage III asset on Gross Loan Asset	2.10%	4.00%
Stage III ECL Provision	18	21
ECL Provision	26	26
ECL Provision as a % of Gross Loan Asset	1.75%	1.53%

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 **60.69%** 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 0.02 crores.

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 March 31, 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 **729** branches, with **186** controlling regional offices and employing **5939** staff. Gross loan portfolio has grown to Rs. **4,366** crores as at March 31st 2022 as against Rs. **3,300** crores in Previous Year. Net Profit after tax for FY22 stood at Rs. **45** crores and Net worth stood at Rs. **856** crores.

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

Particulars	FY22	FY21
No. of branches	729	649
No. of Employees	5,939	4,562
Gross Loan Portfolio	4,366	3,300
Capital Adequacy Ratio	24%	22%
Total Revenue	728	553
Total Expense	672	496
Profit Before Tax	56	57
Profit After Tax	45	47
Shareholders' Funds	856	542
Total Outside Liabilities	3,704	2,926
Total Assets	4,560	3,467
Stage III Loan Assets	250	78
% Stage III asset on Gross Loan Asset	5.73%	2.37%
Stage III ECL Provision	168	62
ECL Provision	224	98
ECL Provision as a % of Gross Loan Asset	5.13%	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 52 years, evolving to serve the growing needs of people of Sri Lanka.

As on March 31, 2022, total holding in AAF by Muthoot Finance stood at **Rs. 9.06** crores equity shares representing **72.92%** of their 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 **59** branches across Sri Lanka. It has total staff strength of **526** currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.



During Q4 FY2022, ICRA Lanka Limited upgraded the Issuer Rating of Asia Asset Finance PLC to [SL]A- from [SL]BBB+. ICRA Lanka has also upgraded the issue ratings to [SL]A(SO) (pronounced SL A Structured Obligation) for the two LKR 1,000 Mn asset backed secured debenture programmes. Further, ICRA Lanka has also upgraded the issue rating to [SL]A(SO) (pronounced SL A Structured Obligation) for the LKR 600 Mn asset backed secured trust certificates programme.

Key Financial Parameters**(LKR. in Crore)**

Particulars	FY22	FY21
LKR/INR	0.2570685	0.3677855
No. of Branches	59	48
No. of Employees	526	427
Loan Portfolio	1735	1,400
Capital Adequacy Ratio	28%	17%
Total Revenue	318	295
Total Expenses	298	286
Profit Before Tax	20	9
Profit After Tax	12	5
Shareholders' Funds	275	222
Total Outside Liabilities	1,659	1,313
Total Assets	1,934	1,535

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 March 31, 2022 Muthoot Money Ltd. has a total loan portfolio of Rs. **207** Crores.

Key Financial Parameters:
(Rs. in Crore)

Particulars	FY22	FY21
No. of branches	68	14
No. of employees	241	188
Gross Loan Portfolio	207	367
Capital Adequacy Ratio (%)	46%	29%
Total Revenue	45	70
Total Expense	54	66
Profit Before Tax	-9	4
Profit After Tax	-7	4
Stage III Loan Assets	14	31
% Stage III asset on Gross Loan Asset	6.61%	8.56%
Stage III ECL Provision	5	13
ECL Provision	6	17
ECL Provision as a % of Gross Loan Asset	2.93%	4.68%
Shareholders Funds	104	110
Total Outside Liabilities	123	279
Total Assets	227	389