



**Muthoot Finance Limited**

Registered Office :  
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Opp. Saritha Theatre Complex,  
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Kerala, India.  
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www.muthootgroup.com

November 04, 2021

Ref: SEC/MFL/SE/2021/4118

**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: Investor Presentation: Quarter ended September 30, 2021**

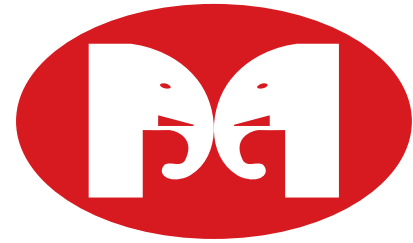
We herewith enclose a copy of the investor presentation for the quarter ended September 30, 2021.

This is for your kind information and record thereon.

Thank You,

For **Muthoot Finance Limited**

Rajesh A  
Company Secretary  
ICSI Membership No. FCS 7106



***Muthoot Finance***

**Financial Results Q2 FY 2022**

**September 2021**

**MUTHOOT FINANCE LIMITED**

## SAFE HARBOUR STATEMENT

This presentation may include statements, which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

The company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise. While every effort is made to ensure that this presentation conforms with all applicable legal requirements, the company does not warrant that it is complete, comprehensive or accurate, or commit to its being updated. No part of the information provided herein is to be construed as a solicitation to make any financial investment and is provided for information only.

Any person/ party intending to provide finance / invest in the shares/businesses of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision. In no event shall the company be liable for any damages whatsoever, whether direct, incidental, indirect, consequential or special damages of any kind or including, without limitation, those resulting from loss of profit, loss of contracts, goodwill, data, information, income, expected savings or business relationships arising out of or in connection with the use of this presentation.

## Diversified business of the Group

	Primary Business	Shareholding of holding company (%)
Muthoot Finance Limited	Gold Loans	Holding Company
Muthoot Homefin (India) Limited	Affordable Housing Finance	100.00
Belstar Microfinance Limited	Microfinance	70.01
Muthoot Money Limited	Vehicle Finance	100.00
Asia Asset Finance PLC	Listed Diversified NBFC in Sri Lanka	72.92
Muthoot Insurance Brokers Private Limited	Insurance Broking	100.00
Muthoot Asset Management Private Limited	-	100.00
Muthoot Trustee Private Limited	-	100.00

## Snapshot of performance

	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q1 FY 2022	YoY (%)	FY 2021
<b>Group Branch Network (Nos)</b>	5,439	5,381	5,439	5,443	1	5,451
<b>Consolidated Gross Loan Assets* of the Group (₹ in million)</b>	609,188	522,863	609,188	581,348	17	582,802
<b>Consolidated Profit of the Group (₹ in million)</b>	19,815	17,885	10,029	9,786	11	38,189
<b>Contribution in the Consolidated Gross Loan Assets* of the Group</b>						
Muthoot Finance (%)	90	89	90	90		90
Subsidiaries (%)	10	11	10	10		10
<b>Contribution in the Consolidated Profit of the Group</b>						
Muthoot Finance (%)	99	97	99	99		97
Subsidiaries (%)	1	3	1	1		3

\*Principal amount of Loan assets

## Gross Loan Assets\* of the Group

(₹ in millions)

	Sep-21	Jun-21	Mar-21	Sep-20	YoY (%)
Muthoot Finance Limited	551,468	526,138	526,223	470,162	17
Muthoot Homefin (India) Limited	16,405	17,048	17,042	19,377	(15)
Belstar Microfinance Limited	33,544	30,721	32,999	26,867	25
Muthoot Money Limited	2,815	3,326	3,668	4,633	(39)
Asia Asset Finance PLC	5,406	5,320	5,150	5,204	4
Less: Intra-Group Loan Assets	450	1,205	2,280	3,380	(87)
<b>Total</b>	<b>609,188</b>	<b>581,348</b>	<b>582,802</b>	<b>522,863</b>	<b>17</b>

\*Principal amount of Loan assets

## Standalone Profit of Group Companies

(₹ in millions)

	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q2 FY 2021	Q1 FY 2022	FY 2021
Muthoot Finance Limited	19,652	17,351	9,940	8,944	9,712	37,222
Muthoot Homefin (India) Limited	7	57	2	53	5	126
Muthoot Insurance Brokers Private Limited	91	133	48	91	43	316
Belstar Microfinance Limited	42	296	22	151	20	467
Muthoot Money Limited	8	48	9	73	(1)	37
Asia Asset Finance PLC	13	1	9	7	4	18
Muthoot Asset Management Private Limited	10	15	6	5	4	19
Muthoot Trustee Private Limited	0.07	0.04	0.03	0.01	0.05	(0.10)

**Consolidated Statement of Assets and Liabilities**

(₹ in millions)

Particulars	Sep-21	Jun-21	Mar-21	Sep-20
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	82,514	87,181	77,775	61,669
Bank Balance other than above	2,359	1,993	2,435	2,259
Derivative Financial Instruments	292	499	154	159
Trade Receivables	87	95	98	149
Loans	626,598	594,610	588,085	521,399
Investments	5,057	7,829	8,085	26,480
Other Financial Assets	2,974	3,214	4,383	2,320
<b>Non-Financial Assets</b>				
Current Tax Assets(Net)	68	75	94	39
Defered Tax Assets(Net)	871	735	593	409
Investment Property	137	141	139	159
Property ,Plant and Equipment	2,543	2,531	2,575	2,425
Right to use Asset	174	162	170	154
Capitla Work- In- Progress	417	394	385	329
Goodwill	300	300	300	300
Other Intangible Assets	78	83	86	83
Intangible assets under development	-	1	1	-
Other Non Financial Assets	1,203	1,172	1,056	1,321
<b>Total- Assets</b>	<b>725,672</b>	<b>701,015</b>	<b>686,414</b>	<b>619,654</b>



**Consolidated Statement of Assets and Liabilities**

(₹ in millions)

Particulars	Sep-21	Jun-21	Mar-21	Sep-20
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
Derivative Financial Instruments	4,385	3,408	3,305	1,749
Trade Payables	1,726	1,692	2,112	3,052
Other Payables	31	8	2	-
Debt Securities	138,145	143,212	146,670	118,129
Borrowings(other than Debt securities)	387,104	368,162	351,010	337,221
Deposits	3,136	3,013	2,580	2,596
Subordinated Liabilities	3,282	3,296	3,707	4,426
Lease Liability	188	172	178	163
Other Financial Liabilities	12,422	11,939	13,598	10,102
<b>Non-Financial Liabilities</b>				
Current Tax Liabilities(net)	1,835	2,829	1,303	1,442
Provisions	3,706	3,731	3,695	3,518
Deferred Tax Liabilities(net)	111	119	142	86
Other Non-Financial Liabilities	492	307	517	369
<b>EQUITY</b>				
<b>Equity attributable to equity owners of the company</b>	<b>167,242</b>	<b>157,273</b>	<b>155,750</b>	<b>134,994</b>
Non-Controlling Interest	1,867	1,854	1,846	1,807
<b>Total Liabilities and Equity</b>	<b>725,672</b>	<b>701,015</b>	<b>686,414</b>	<b>619,654</b>



## Consolidated Financial Results

(₹ in millions)

Particulars	H1 FY 2022	H1 FY 2021	YoY (%)	Q2 FY 2022	Q2 FY 2021	YoY (%)	Q1 FY 2022	FY 2021
<b>Income</b>								
Interest Income	59,216	52,579	13	30,033	27,290	10	29,183	112,316
Service Charges	410	455	(10)	255	318	(20)	155	986
Sale of Services	59	49	20	31	31	-	27	120
Other Income	202	55	267	126	32	294	76	356
Income other than above	395	1,172	(66)	203	571	(65)	193	1,886
<b>Total Income</b>	<b>60,282</b>	<b>54,310</b>	<b>11</b>	<b>30,648</b>	<b>28,242</b>	<b>9</b>	<b>29,634</b>	<b>115,664</b>
<b>Expenses</b>								
Finance Cost	21,628	20,002	8	10,772	10,282	5	10,856	40,999
Impairment of Financial Instruments	2,004	712	181	1,186	281	322	818	2,552
Net Loss on derecognition of financial instruments	-	-	-	(120)	-	-	120	-
Employee Benefit Expenses	5,605	5,776	(3)	2,834	2,976	(5)	2,771	11,893
Depreciation, Amortisation and Impairment	310	296	5	158	156	1	152	674
Other Expenses	4,121	3,566	16	2,302	2,104	9	1,819	8,232
<b>Total Expenses</b>	<b>33,668</b>	<b>30,352</b>	<b>11</b>	<b>17,132</b>	<b>15,799</b>	<b>8</b>	<b>16,536</b>	<b>64,349</b>
<b>Profit before tax</b>	<b>26,614</b>	<b>23,958</b>	<b>11</b>	<b>13,516</b>	<b>12,443</b>	<b>9</b>	<b>13,098</b>	<b>51,315</b>
Tax expense	6,799	6,074	12	3,487	3,136	11	3,312	13,126
<b>Profit after Tax</b>	<b>19,815</b>	<b>17,884</b>	<b>11</b>	<b>10,029</b>	<b>9,307</b>	<b>8</b>	<b>9,786</b>	<b>38,189</b>
Earnings per share –Basic (₹)	49.35	44.37	11	24.98	23.09	8	24.37	94.84
Earnings per share –Diluted (₹)	49.32	44.33	11	24.97	23.08	8	24.35	94.76



# MUTHOOT FINANCE: DRIVING INCLUSIVE GROWTH

- India's largest gold financing company (by loan portfolio)
- Trusted pan-India brand in the gold loans sector; revolutionised India's gold banking
- Our intervention has empowered millions of people across the social pyramid

## Multiple service offerings

### CORE SERVICE



Gold Loans

### OTHER SERVICES



Money Transfer Services



Collection Services



Business loans



Personal Loans

**29**

States/Union territory presence

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**178 tonnes**

Gold jewellery kept as security

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**4,600+**

Pan-India branches

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**100,000+**

Retail investor base across debenture and subordinated debt portfolio

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**26,000+**

Team members

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**200,000+**

Customers served every day

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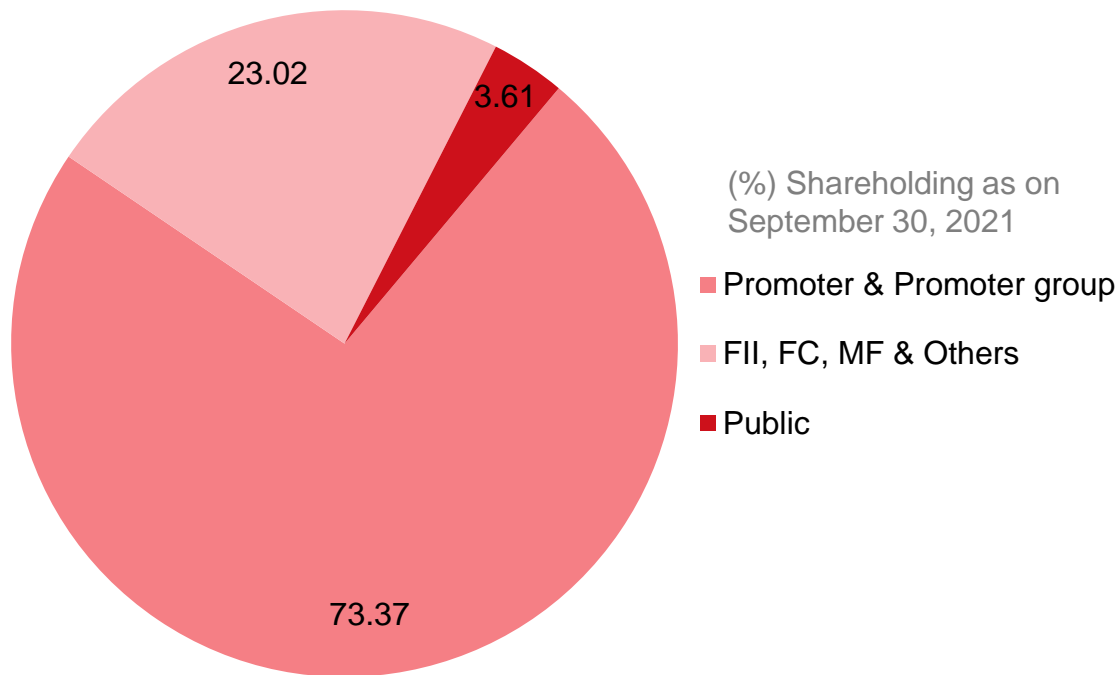
**₹ 551,468 mn**

Loan Assets Under Management

*(As of September 30, 2021)*

# SHAREHOLDING PATTERN

**Strong promoter interest in business with 73% stake**



**NSE Ticker**

MUTHOOTFIN

**BSE Ticker**

533398

**Market Capitalisation**

(as on September 30, 2021)

₹ 582,037 million



## BOARD OF DIRECTORS



**George Jacob Muthoot**  
*Chairman*



**George Alexander Muthoot**  
*Managing Director*



**George Thomas Muthoot**  
*Wholetime Director*



**Alexander M George**  
*Wholetime Director*



**Jacob Benjamin Koshy**  
*Independent Director*



**Jose K Mathew**  
*Independent Director*



**Ravindra Pisharody**  
*Independent Director*



**V. A. George**  
*Independent Director*



**Pratip Chaudhuri**  
*Independent Director*



**Usha Sunny**  
*Independent Director*



**Abraham Chacko**  
*Independent Director*

# DIVIDEND PAYOUT

## Delivering consistent returns to stakeholders

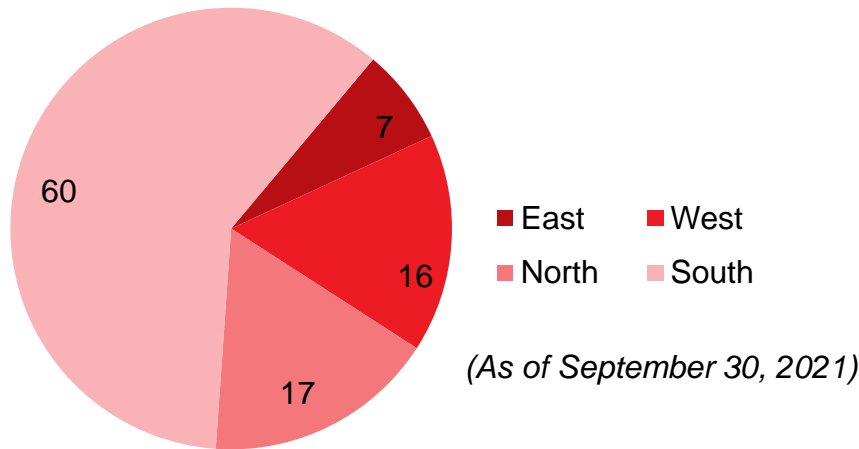
(%)

	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>FY 2015</b>
Dividend (%)*	200	150	120	100	60	60	60
Dividend payout (₹ in millions)	8,024	7,249	5,796	4,813	2,885	2,877	2,813
Dividend Payout Ratio (%)	21	19	24	22	20	29	35

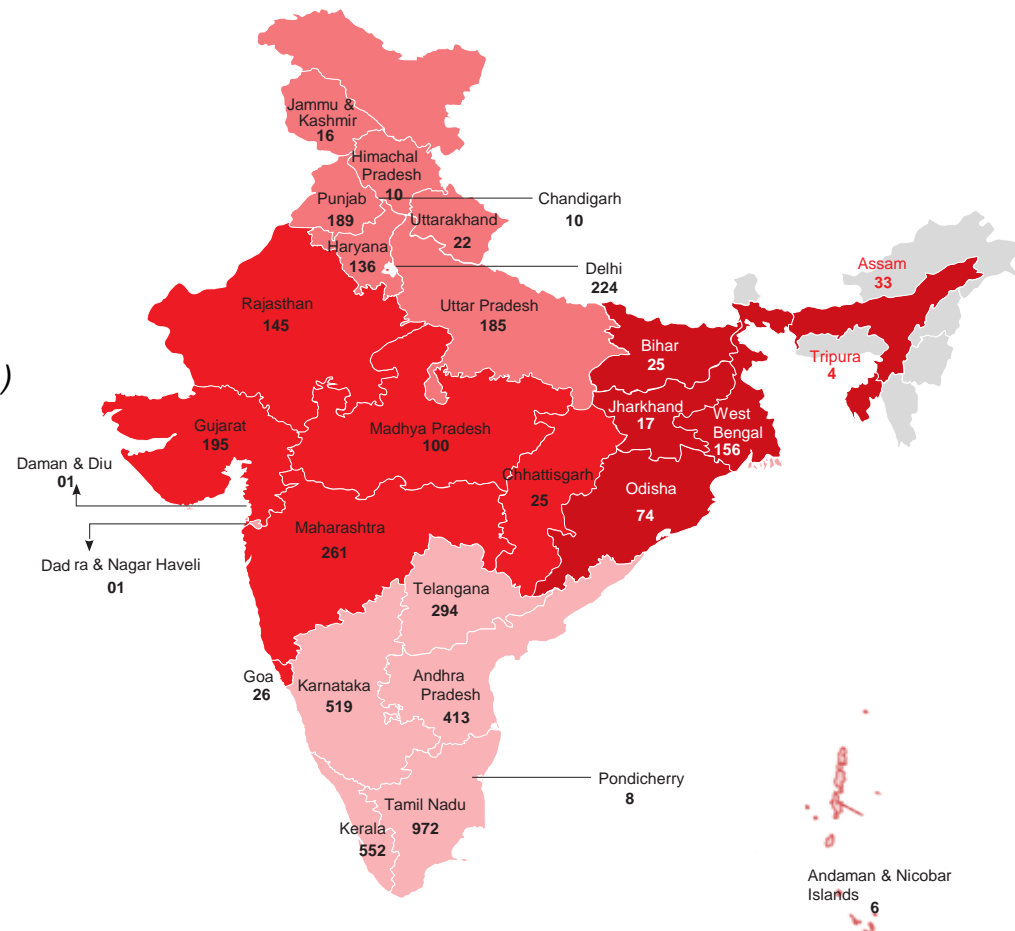
\* On face value of ₹ 10 per equity share

## A strong presence of 4619 branches across India

(%) Branches region wise



State wise Branch Network



- Rural India accounts for about 65% of total gold stock in the country
- Large portion of the rural population has limited credit access
- Catering to under-served rural and semi-urban markets through strong presence



## Digital convenience for new gen & Millennium Customer acquisition

### Direct Credit Facility



- Loan proceeds credited to bank account
- NEFT/RTGS/IMPS mode of bank transfer
- Less cash handling at branch
- Instant credit to customer bank account



### PoS Terminals

- Enables swiping of Debit cards issued by banks
- Swiping charges for Interest payments waived off



Google Pay



### Loan repayment option through

- Paytm
- Phone Pay
- Google Pay
- BBPS- Bharat Bill Payment System
- eCollection-Virtual A/C Remittance

### New Initiatives

- Launched AI based Chat bot with transactional capabilities.
- WhatsApp banking facility launched with online-top up facility.
- RPA enabled Penny Drop verification for Bank Account online linking.
- Video KYC and Digital KYC are enabled for Customers Digital on-boarding through CRM.
- BBPS enabled Payment link generation through SMS or WhatsApp.
- New Payment Gateway Razorpay added in iMuthoot Mobile App

## Online Gold Loan (OGL)

- 29.4 % of gold loan customers are transacting online. (including Paytm, PhonePe & Google Pay)

### Muthoot Online



- Our online services has now been re-branded to Muthoot Online, from WebPay earlier.
- Customers can now make payment of interest and principal re-payments using Debit Card/Net Banking.
- Withdraw available loan amount and renew eligible loans through our Online Gold Loan (OGL) facility.
- To facilitate this service, we have partnered with leading Banks and online payment gateway service providers.
- e-Sign facility has been launched in September'17.
- Bank account online linking feature introduced.
- Insurance products- Hospicash renewal launched
- Introduced Whats App opt-in facility for customers
- Muthoot personal loan and homefin loan repayment facility introduced.

### iMuthoot App



### Mobile App



- Launched in Nov'16 has about 38.7 lakhs downloads.
- Online Gold Loan (OGL) facility available to withdraw loan amount and renewal, apart from payments.
- Rs.6,596 Crs payments from 2.06 Cr successful transactions so far (Including WebPay).
- Updated scheme details available with loan calculator.
- Google maps integrated for easy location of nearest branch and fix appointment.
- UPI facility has been introduced in Feb'19.
- Paytm Payment gateway has been introduced in June'19.
- e-Sign facility has been introduced in Jan'18.
- Along with gold loans, lead creation for PL, HL, AL also introduced.
- Bank account online linking feature introduced.
- Insurance products (Hospicash, MSOP, MHP) also launched )
- WhatsApp Gold Op-in Launched
- "ZIP Consumer loans" launched in iMuthoot. Customers can now purchase consumer durable products online from their eligible top-up amount and can be paid in installments

## Loan at Home

### Loan at Home App



**Mobile App**



- Launched in July'20 has about 10K + downloads.
- The loan at home is an app-based digital service, with which a customer can apply for a gold loan through the 'Loan@Home' mobile app and web portal
- After which an appointment is made for the visit by Muthoot Finance executives, to visit the customer's home. Now the customer can avail of a gold loan from the comfort of their home without having to visit the branch at any stage of the procedure.
- Loan top-up and repayment facilities are also available in this application
- Facility to place loan release request online
- Option to update Bank account and PAN card online

**Standalone Statement of Assets and Liabilities**

(₹ in millions)

Particulars	Sep-21	Jun-21	Mar-21	Sep-20
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	77,867	82,321	71,167	55,557
Bank Balance other than above	583	509	731	529
Derivative Financial Instruments	292	499	154	159
Trade Receivables	41	55	35	81
Loans	576,443	548,144	540,634	476,478
Investments	13,144	16,000	15,903	34,387
Other Financial Assets	2,038	2,105	2,099	1,208
<b>Non-Financial Assets</b>				
Deferred Tax Assets(Net)	383	315	286	201
Property ,Plant and Equipment	2,397	2,381	2,416	2,259
Capital Work- In- Progress	417	394	385	329
Other Intangible Assets	47	51	54	52
Other Non Financial Assets	948	895	786	1,126
<b>Total- Assets</b>	<b>674,599</b>	<b>653,669</b>	<b>634,649</b>	<b>572,366</b>

**Standalone Statement of Assets and Liabilities**

(₹ in millions)

Particulars	Sep-21	Jun-21	Mar-21	Sep-20
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
Derivative Financial Instruments	4,385	3,408	3,305	1,749
Trade Payables	1,665	1,602	2,017	3,009
Debt Securities	129,897	135,213	137,961	110,791
Borrowings(other than Debt securities)	356,040	340,454	319,406	308,017
Subordinated Liabilities	1,711	1,711	2,096	2,763
Other Financial Liabilities	11,453	10,810	12,135	8,994
<b>Non-Financial Liabilities</b>				
Current Tax Liabilities(net)	1,767	2,749	1,282	1,384
Provisions	3,634	3,652	3,626	3,464
Other Non-Financial Liabilities	319	229	432	229
<b>EQUITY</b>				
Equity Share Capital	4,013	4,012	4,012	4,012
Other Equity	159,715	149,830	148,377	127,954
<b>Total Liabilities</b>	<b>674,599</b>	<b>653,669</b>	<b>634,649</b>	<b>572,366</b>



## REVENUE &amp; PROFIT

## Standalone Financial Results

(₹ in millions)

	H1 FY 2022	H1 FY 2021	YoY Growth (%)	Q2 FY 2022	Q2 FY 2021	YoY Growth (%)	Q1 FY 2022	FY 2021
<b>INCOME</b>								
Interest Income	54,757	48,226	14	27,920	25,066	11	26,837	103,285
Other than Interest Income	726	1,472	(51)	414	778	(47)	312	2,458
<b>Total</b>	<b>55,483</b>	<b>49,698</b>	<b>12</b>	<b>28,334</b>	<b>25,844</b>	<b>10</b>	<b>27,149</b>	<b>105,744</b>
<b>EXPENSES</b>								
Finance Cost	19,616	17,956	9	9,794	9,241	6	9,822	36,924
Employee benefit Expense	4,488	4,722	(5)	2,242	2,445	(8)	2,246	9,270
Administrative & Other expenses	3,521	3,130	13	1,959	1,853	6	1,562	7,235
Impairment on Financial Instruments	1,081	253	327	745	107	596	336	950
Directors Remuneration	136	170	(20)	68	85	(20)	68	793
Depreciation & Amortisation	241	213	13	127	114	12	114	507
<b>Total</b>	<b>29,084</b>	<b>26,444</b>	<b>10</b>	<b>14,936</b>	<b>13,845</b>	<b>8</b>	<b>14,148</b>	<b>55,678</b>
<b>PROFIT</b>								
Profit Before Tax	26,399	23,254	14	13,398	11,999	12	13,001	50,065
Profit After Tax	19,652	17,351	13	9,940	8,943	11	9,712	37,222

## Strong Capital Base

### Networth

(₹ in millions)

	<b>Sep-21</b>	<b>Jun-21</b>	<b>Mar-21</b>	<b>Sep-20</b>
Equity Share Capital	4,013	4,012	4,012	4,012
Other Equity	159,715	149,830	148,377	127,954
<b>Total</b>	<b>163,728</b>	<b>153,842</b>	<b>152,389</b>	<b>131,966</b>

## Core focus continues to be gold loan

### Gross Loan Assets under management\*

	Sep-21	Jun-21	Mar-21	Sep-20	Growth	Growth
	(₹ in million)	(₹ in million)	(₹ in million)	(₹ in million)	YoY (%)	QoQ (%)
Gross loan assets under management	551,468	526,138	526,223	470,163	17	5
<b>Break-up of Gross Loan Assets under management</b>						
Gold Loans under management	546,821	520,686	519,266	462,339	18	5
Other loans	4,647	5,452	6,957	7,824	(41)	(15)

\*Principal amount of Loan assets



# LIABILITIES

## Stable sources of funding\*

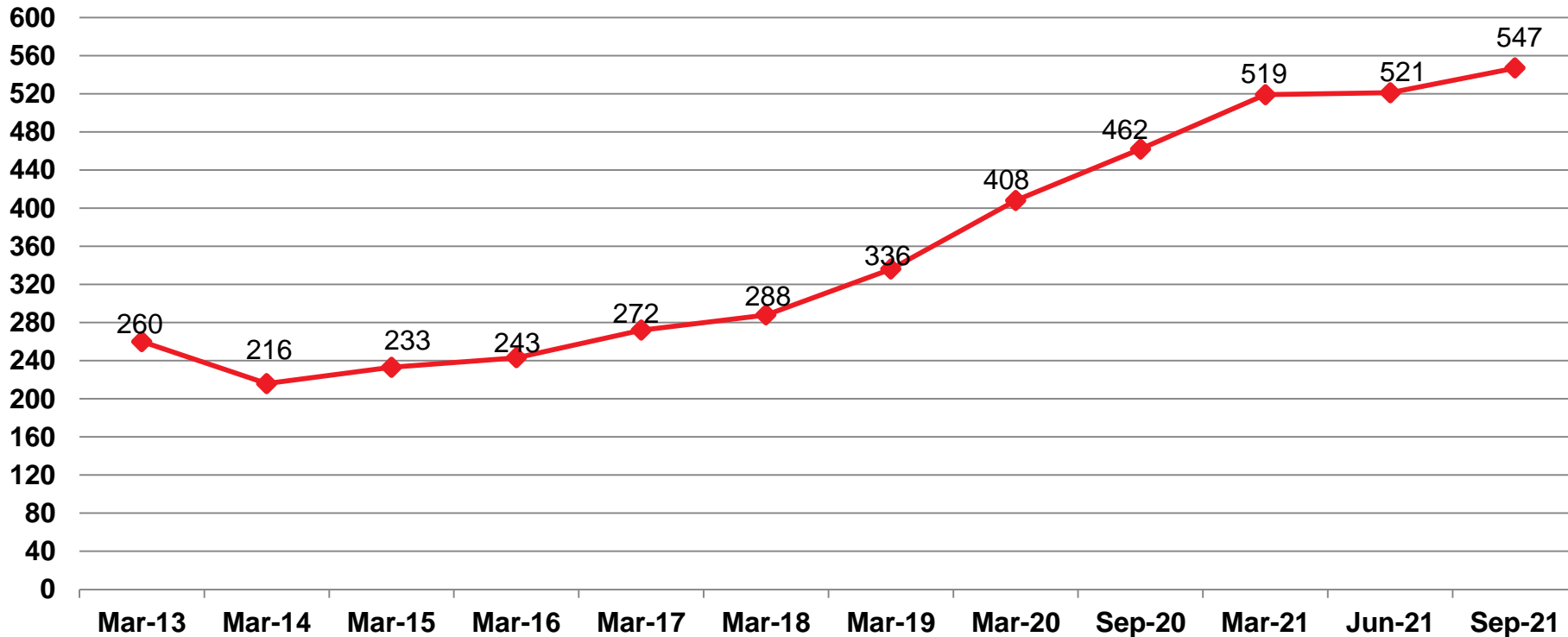
	Sep-21	Jun-21	Mar-21	Sep-20	Growth	Growth
	(₹ in million)	(₹ in million)	(₹ in million)	(₹ in million)	YoY (%)	QoQ (%)
Secured Non-Convertible Debentures (Muthoot Gold Bonds)	2,417	2,524	2,635	2,896	(17)	(4)
Secured Non-Convertible Debentures- Listed	127,807	133,057	135,656	108,190	18	(4)
Borrowings from Banks/FIs	228,813	208,484	198,331	177,364	29	10
External Commercial Borrowings- Senior secured Notes	74,230	74,330	73,111	73,853	1	0
Subordinated Debt	-	-	-	-	-	-
Subordinated Debt -Listed	1,720	1,720	2,106	2,775	(38)	0
Commercial Paper	39,282	43,605	38,540	47,290	(17)	(10)
Other Loans	14,040	14,399	9,817	9,956	41	(2)
<b>Total</b>	<b>488,309</b>	<b>478,119</b>	<b>460,196</b>	<b>422,324</b>	<b>16</b>	<b>2</b>

\*Principal amount of Borrowings

## Gaining scale over the years

### Gold Loan Assets Under Management\*

(₹ in billions)

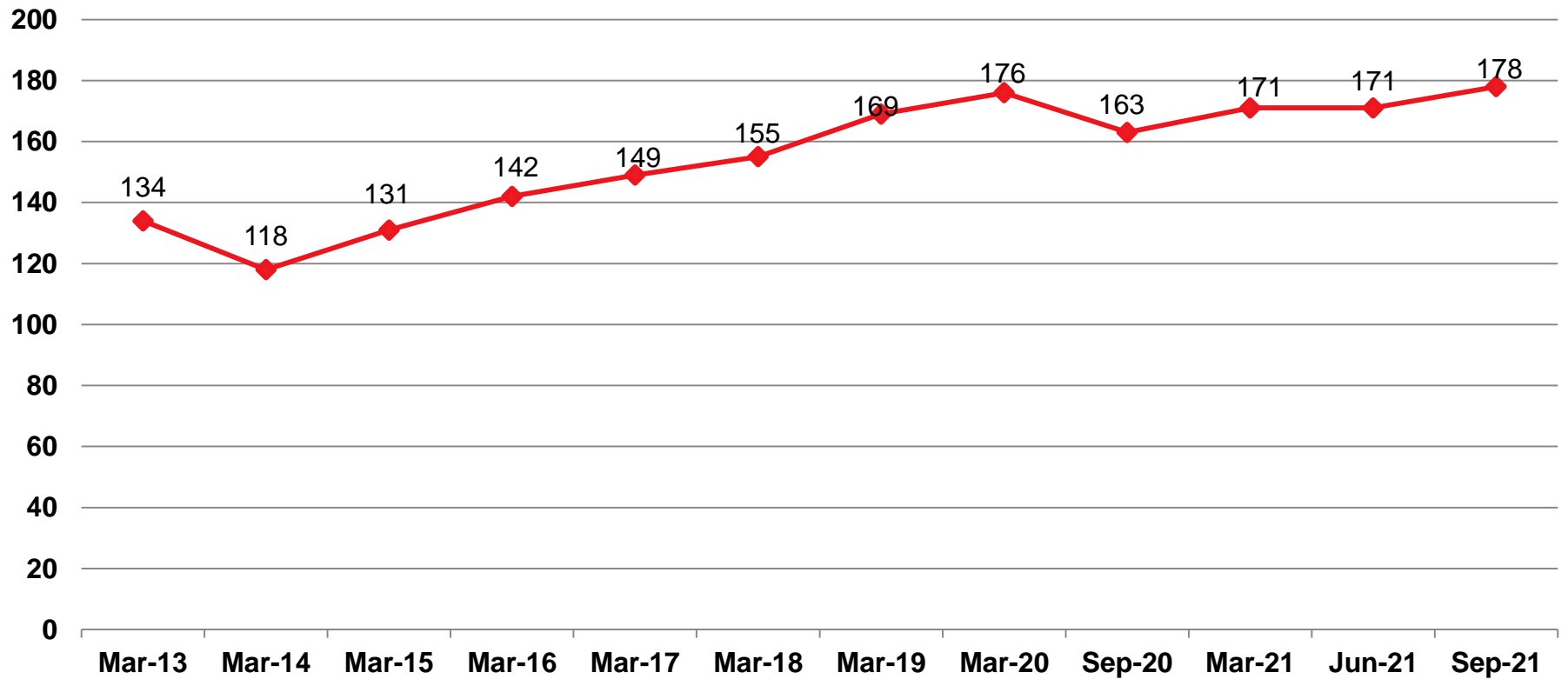


\*Principal amount of gold Loan assets

## Carrying the trust of millions of our customers

### Gold jewellery kept as security

(In tonnes)

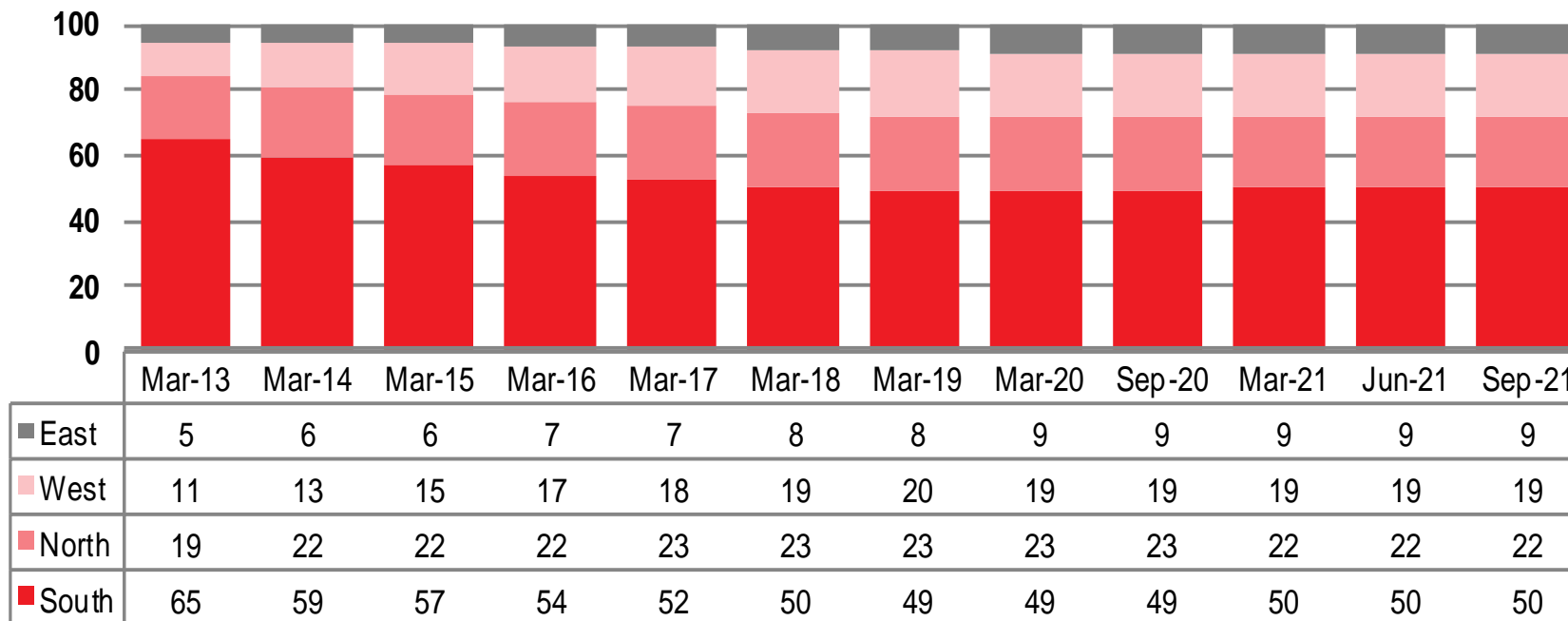




# GEOGRAPHICAL SPREAD OF GOLD LOAN PORTFOLIO *Muthoot Finance*

## Diversified gold loan portfolio across India

(%)



## Gold Loan Assets Under Management \*

(₹ in billions)

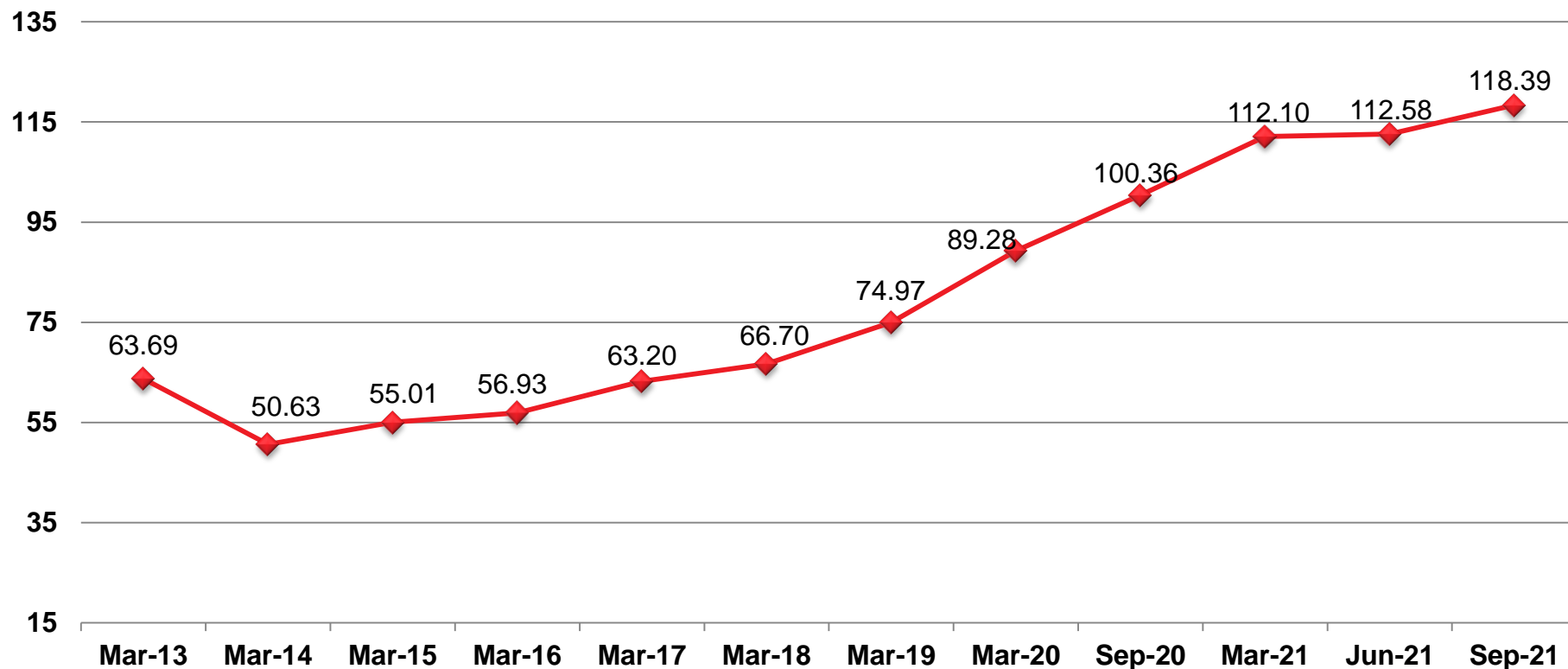
Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Sep-20	Mar-21	Jun-21	Sep-21
260	216	233	243	272	288	336	408	462	519	521	547

\*Principal amount of Gold Loan Assets

## Widening presence with increasing gold loan business per branch

Average Gold Loan Per Branch \*

(₹ in millions)

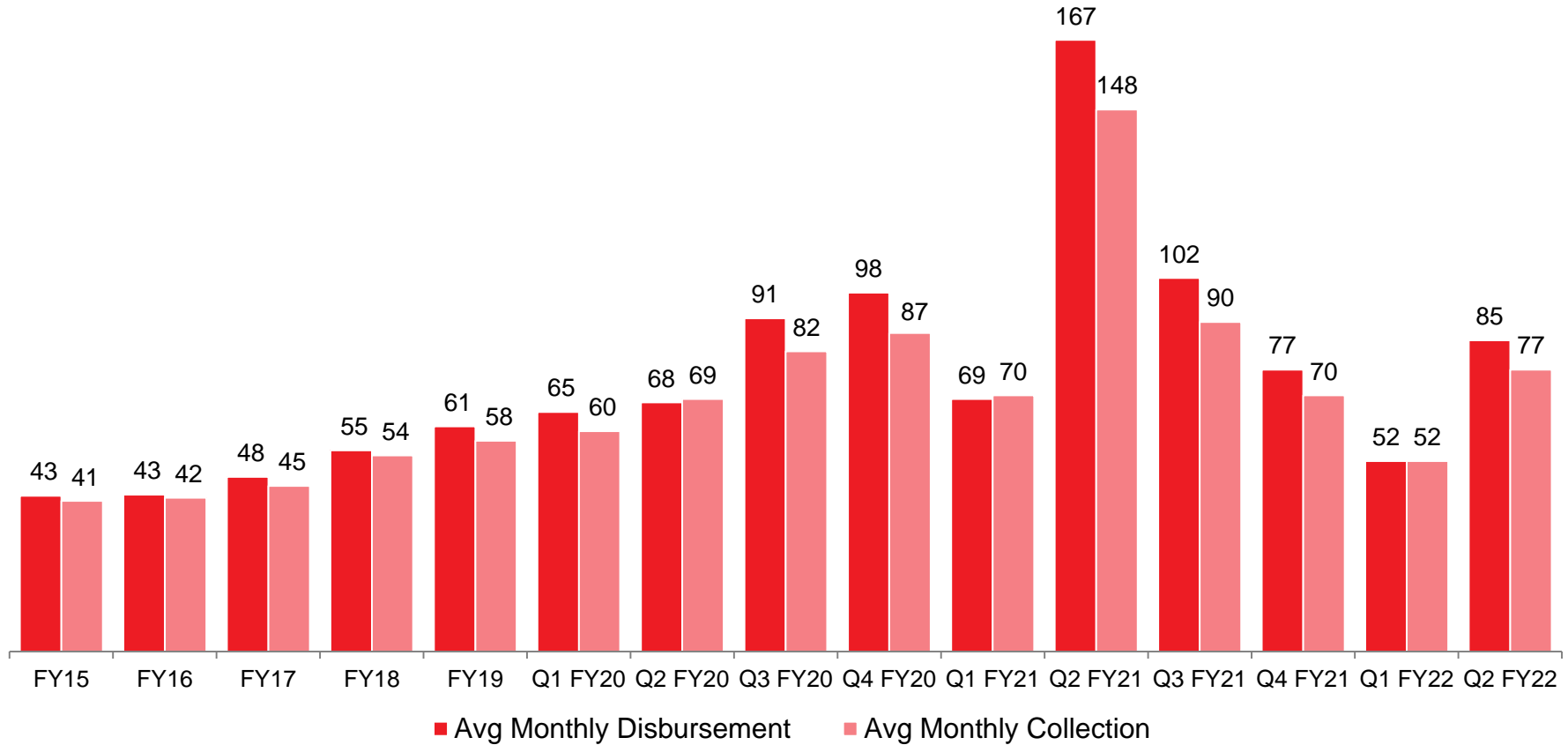


\*Principal amount of Gold Loan Assets



## Disbursements and Collections

(₹ in billions)

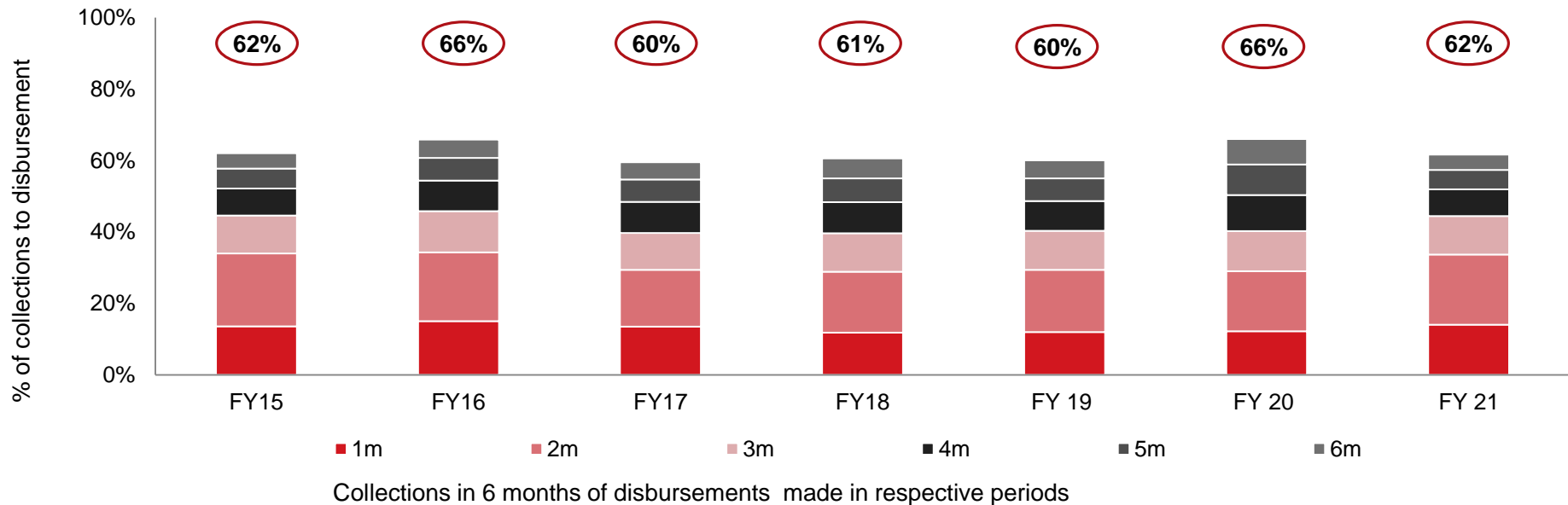


- Strong level of disbursements and collections



# HIGHLY LIQUID PORTFOLIO (2/2)

## Efficient Collection



- A high proportion of gold loan is repaid within first 6 months



## SAFETY OF OUR GOLD LOAN PORTFOLIO

## Lender's Perspective &amp; Borrower's Perspective

	Sep-21	Jun-21	Mar-21	Sep-20	Mar-20	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15
Gold Loan assets (₹ in Billions)	547	521	519	462	407	336	288	272	243	233
Quantity of Gold content in Ornaments held as Security (Tonnes)	178	171	171	163	176	169	155	149	142	131
Gold Price/gm (₹)	4,200	4,283	4,048	4,621	3,955	2,910	2,824	2,725	2,670	2,470
<b>Lender's Perspective</b>										
Market Price of Gold Content in Ornaments (₹ in Billions)	748	732	692	753	696	492	438	406	379	324
Margin of safety on loans	27%	29%	25%	39%	42%	32%	34%	33%	36%	28%
<b>Borrower's Perspective</b>										
Market Value of Gold Ornaments (₹ in Billions) with 20% additional value towards making charges etc	898	878	830	904	835	590	526	487	455	389
Equity of Borrower in the Gold Ornaments net of loans availed	39%	41%	37%	49%	51%	43%	45%	44%	47%	40%

\* Above calculations are made on overall portfolio and excludes interest accrued on loans





## CUSTOMER BASE

## Highly churning customer base (1/2)

	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20	Mar-19
Gold Loan AUM (₹ in Millions)	546,821	520,686	519,266	496,225	462,339	404,949	407,724	335,853
QoQ % change in Gold Loan AUM	5	0	5	7	14	(1)	8	-
No. of Loan Accounts	88,11,961	85,24,713	84,10,139	80,32,610	76,24,105	75,79,640	80,22,325	80,62,139
QoQ % change in no.of loan accounts	3	1	5	5	1	(6)	-	-
No.of Active customers	54,24,609	52,44,143	51,90,220	50,15,666	48,28,505	47,45,491	49,33,886	47,21,243
QoQ % change in no.of customers	3	1	3	4	2	(4)	1	-

## Highly churning customer base (2/2)

	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20	Mar-19
<b>Above Gold Loan AUM and No. of customers includes:</b>								
<b>Fresh loans to inactive customers during the quarter in Gold Loan AUM</b>								
No. of customers	460,491	315,320	432,320	438,173	395,800	185,351	352,036	380,171
% of customers	8	6	8	9	8	4	7	8
O/s Loan Amount (₹ in Millions)	35,504	20,185	29,170	29,600	27,268	10,547	21,806	20,023
<b>Fresh loans to New Customers during the quarter in Gold Loan AUM</b>								
No. of customers	358,860	246,220	361,090	388,391	409,037	160,123	346,626	360,251
% of customers	7	5	7	8	8	3	7	8
O/s Loan Amount (₹ in Millions)	30,859	17,299	27,528	29,759	33,388	10,807	25,622	23,148
<b>Fresh loans with new collateral to existing active customers during the quarter in Gold Loan AUM</b>								
No. of customers	723,000	556,419	756,618	720,583	644,535	364,964	702,566	779,363
% of customers	13	11	15	14	13	8	14	17
O/s Loan Amount (₹ in Millions)	54,358	31,522	48,859	46,175	43,390	20,576	42,368	42,751

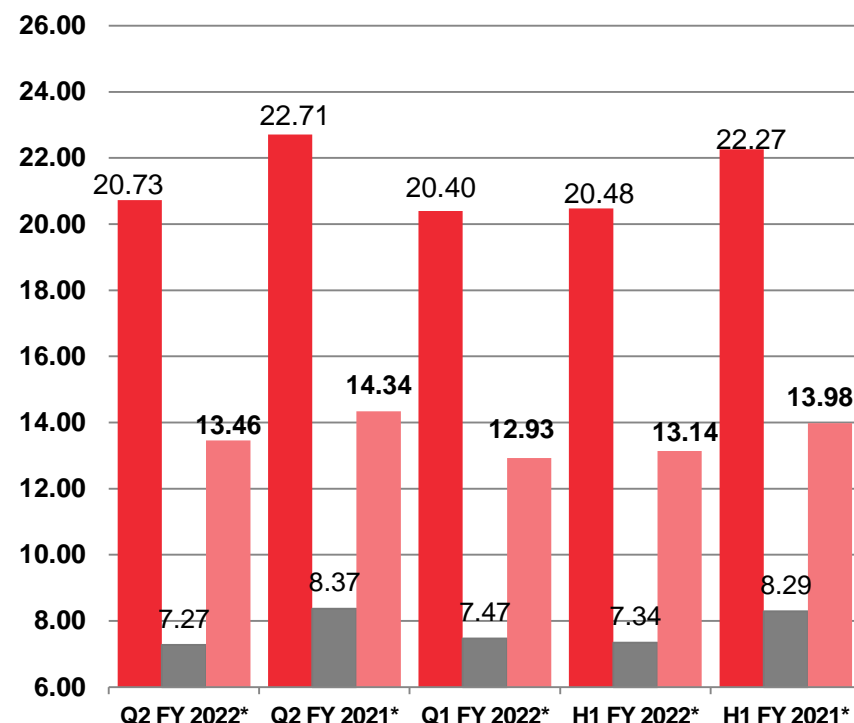
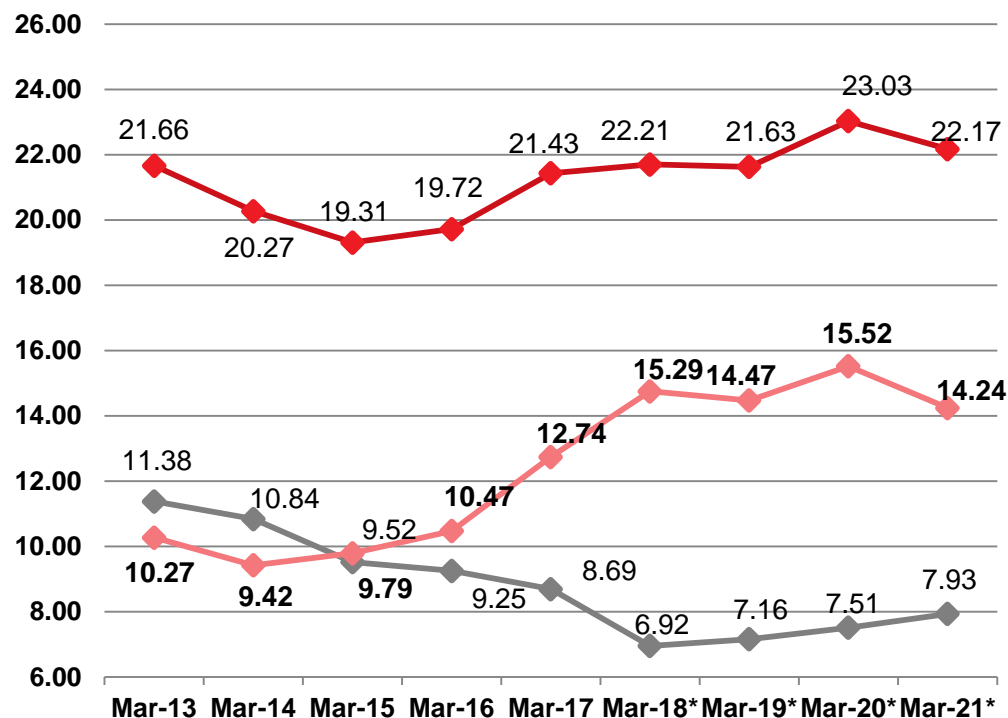
# YIELD ON LOAN ASSETS AND NIM

Yearly

(%)

Quarterly

(%)



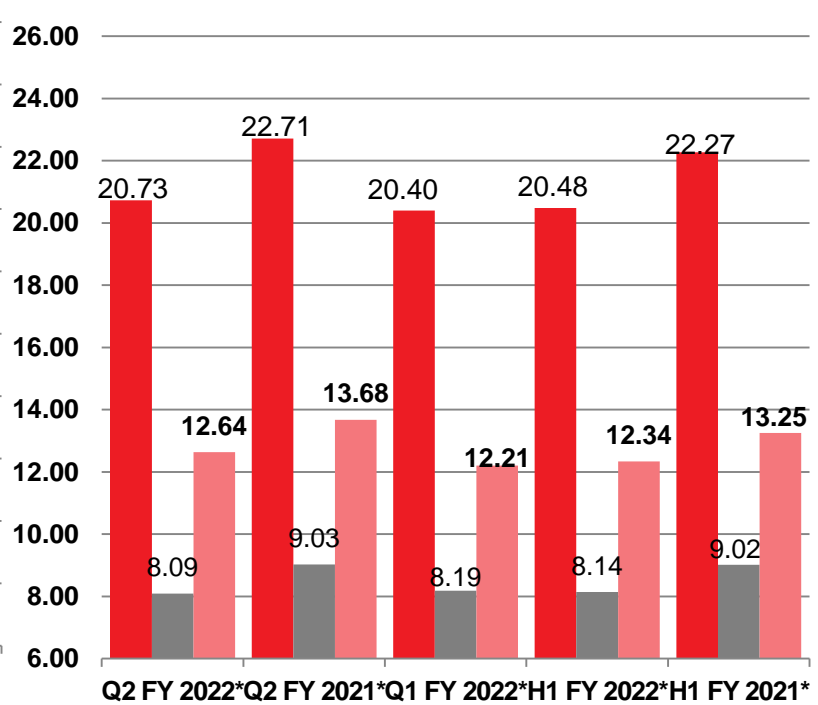
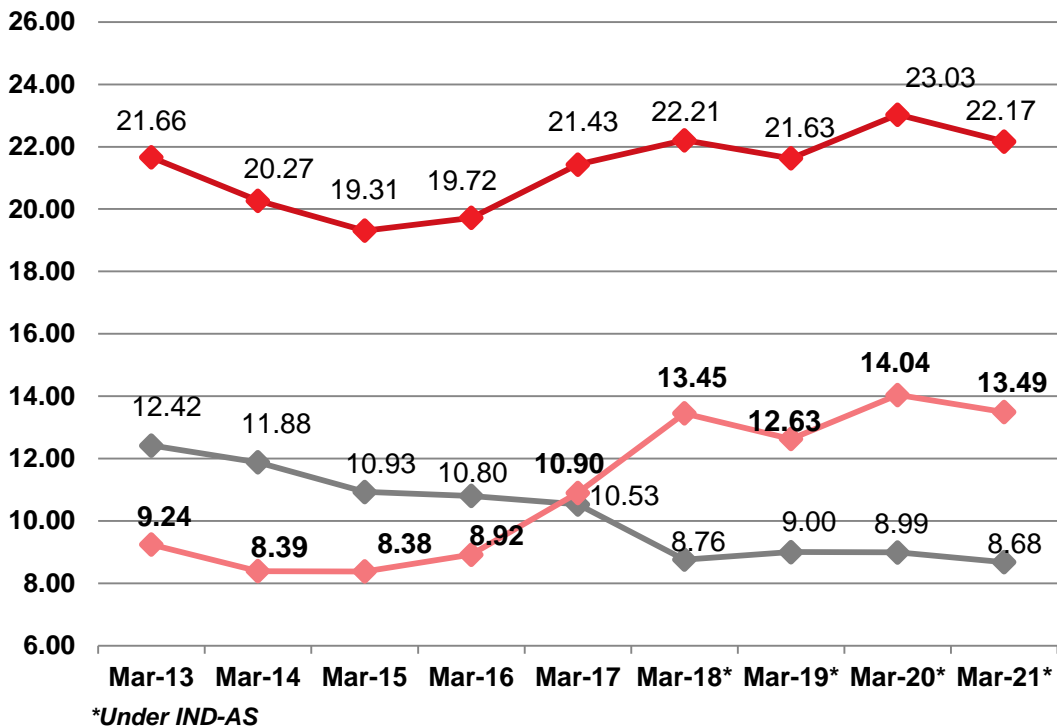
\*Under IND -AS

- Interest Income on Average Loan Assets
- Interest Expense on Average Loan Assets
- Net Interest Margin



# INTEREST SPREAD

**Yearly (%)** **Quarterly (%)**



- Interest Income on Average Loan Assets
- Interest Expenses on Average Outside Liabilities
- Interest Spread

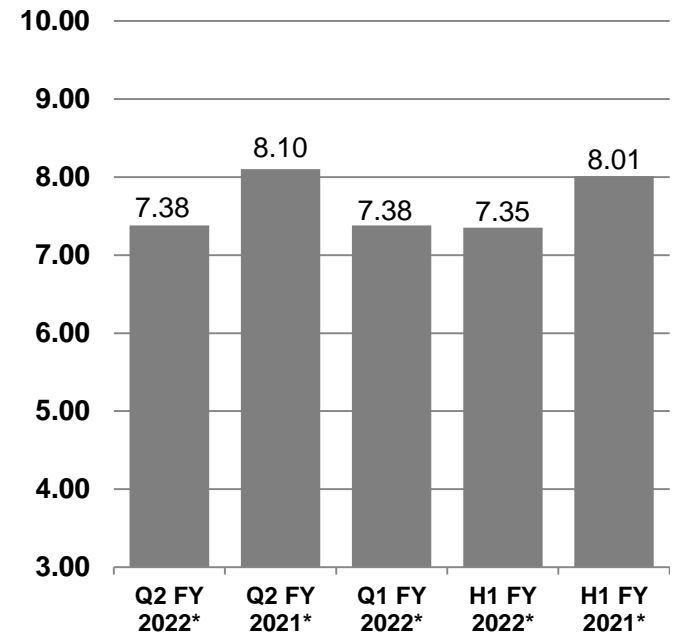
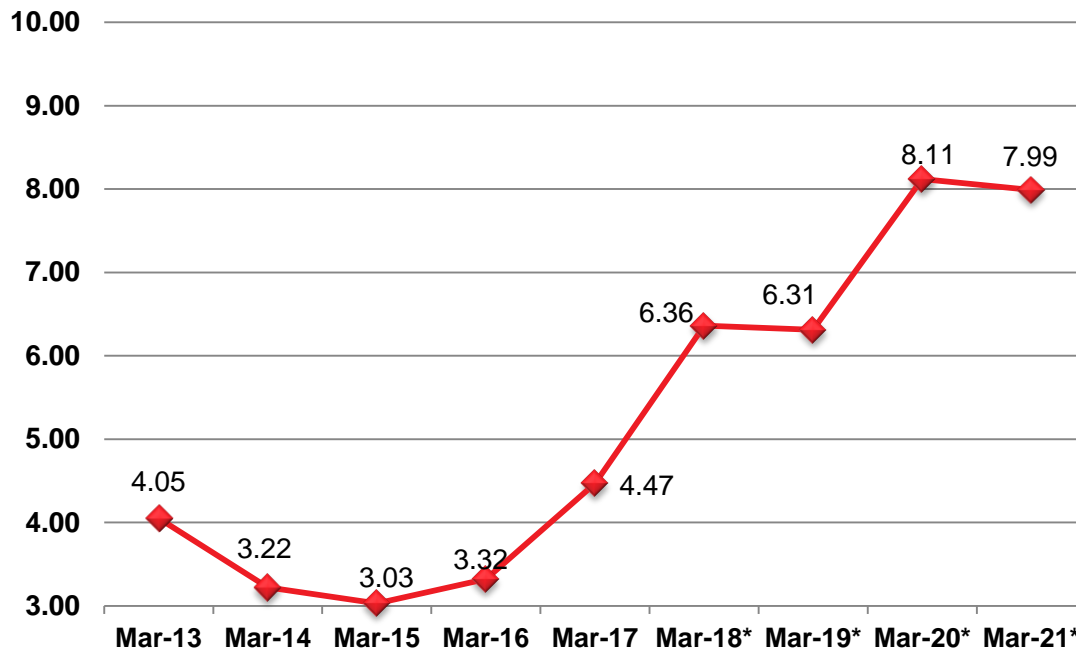


# RETURN ON AVERAGE LOAN ASSETS

## Attractive returns over the years

Yearly (%)

Quarterly (%)



\*Under IND-AS

# IMPAIRMENT OF LOAN ASSETS



Muthoot Finance

## Stage III Loans Assets and ECL Provision

(₹ in millions)

	Sep-21	Jun-21	Mar-21	Sep-20
Stage III Loan Assets	10,213	6,408	4,641	5,920
% Stage III Assets on Gross Loan Assets	1.85	1.22	0.88	1.26
ECL Provision on Gross Loan Assets	7,175	6,501	6,257	5,636
ECL Provision as % of Gross Loan Assets	1.30	1.24	1.19	1.20
Excess Provision outstanding in books	2,954	2,954	2,954	2,954

## Staging Criteria

Stage	Description	Provision Mechanism
Stage 1	0-30 days past due	PD x LGD x Stage 1 Asset
Stage 2	> 30 to <= 90 past due	PD x LGD x Stage 2 Asset
Stage 3	> 90 days past due	LGD x EAD of Stage 3 Asset

PD-Probability of default

LGD-Loss given default

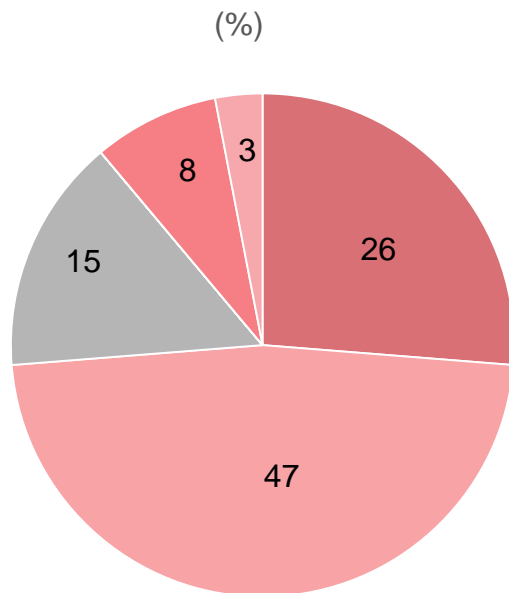
EAD-Exposure at Default

## Bad Debts

(₹ in millions)

	Q2 FY 2022	Q1 FY 2022	Q2 FY 2021	H1 FY 2022	H1 FY 2021	FY 2021
Bad Debts Written Off	77	91	10	168	38	118
% of Bad Debts written off to Gross Loan Assets	0.01	0.02	0.002	0.03	0.01	0.02

## Maintaining a diversified funding profile\*



- Secured Non-Convertible Debentures (Muthoot Gold Bonds) – ₹ 2,417 mn (0%)
- Secured Non-Convertible Debentures – Listed – ₹127,807 mn (26%)
- Borrowings from Banks/Fis - ₹ 228,813 mn (47%)
- External Commercial Borrowings- Senior secured Notes – ₹ 74,230 mn (15%)
- Subordinated Debt – ₹ 0 mn (0%)
- Subordinated Debt – Listed - ₹ 1,720 mn (0%)
- Commercial Paper – ₹ 39,282 mn (8%)
- Other Loans – ₹ 14,040 mn (3%)

\*Principal amount of Borrowings

(As of September 30, 2021)



# DOMESTIC CREDIT RATINGS

## Highest Rating among gold loan companies

### Short-term Rating

	Rating	Indicates
<b>COMMERCIAL PAPER</b>		
CRISIL RATINGS	CRISIL A1+	Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk
ICRA LIMITED	ICRA A1+	Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk
<b>BANK LOANS</b>		
ICRA LIMITED	ICRA A1+	Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk

### Long-term Rating

	Rating	Indicates
<b>SUBORDINATED DEBT</b>		
CRISIL RATINGS	CRISIL AA+/Stable	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk
ICRA LIMITED	ICRA AA+(Stable)	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk
<b>NON CONVERTIBLE DEBENTURE</b>		
CRISIL RATINGS	CRISIL AA+/Stable	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk
ICRA LIMITED	ICRA AA+(Stable)	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk
<b>BANK LOANS</b>		
ICRA LIMITED	ICRA AA+(Stable)	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk



# INTERNATIONAL CREDIT RATINGS

## Long-term Rating

Rating Agencies	Rating	Indicates
FITCH RATINGS	BB(Stable)	An elevated vulnerability to default risk, particularly in the event of adverse change in business or economic condition over time, however, business or financial flexibility exists that supports the servicing of financial commitments.
S&P GLOBAL RATINGS	BB(Negative)	Less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions.
MOODY'S INVESTORS SERVICE	Ba2 (Stable)	Obiligations are judged to be speculative and are subject to substantial credit risk. The modifier 2 indicates a midrange ranking

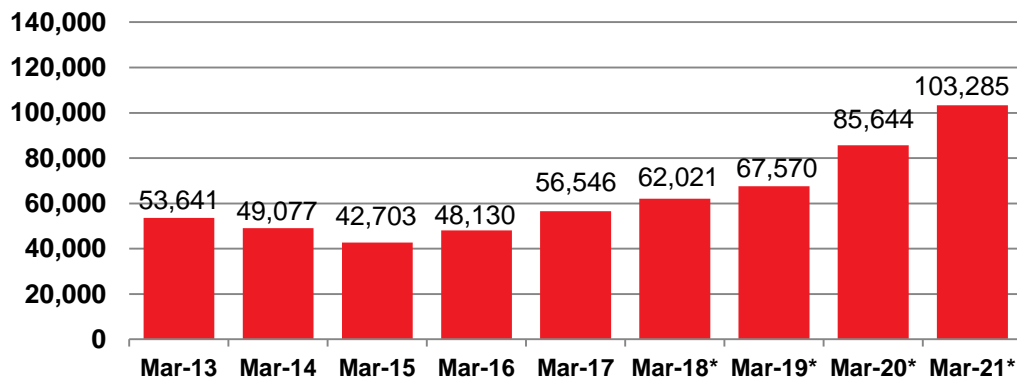


# BREAK-UP OF TOTAL INCOME

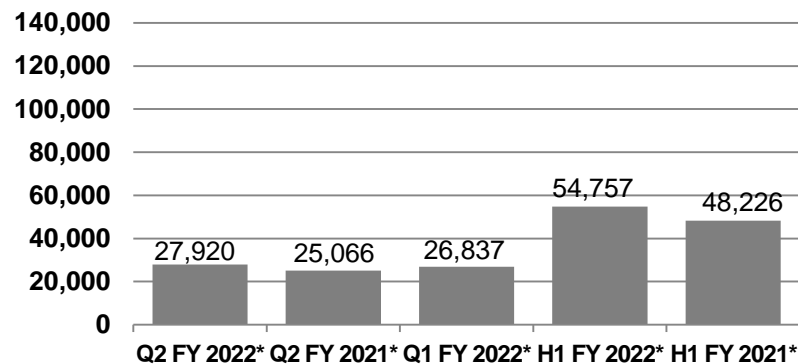
## Interest Income

(₹ in millions)

### Yearly



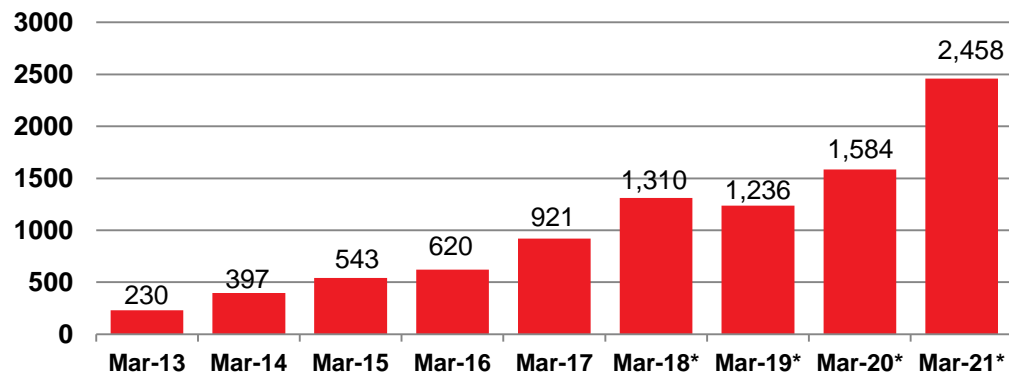
### Quarterly



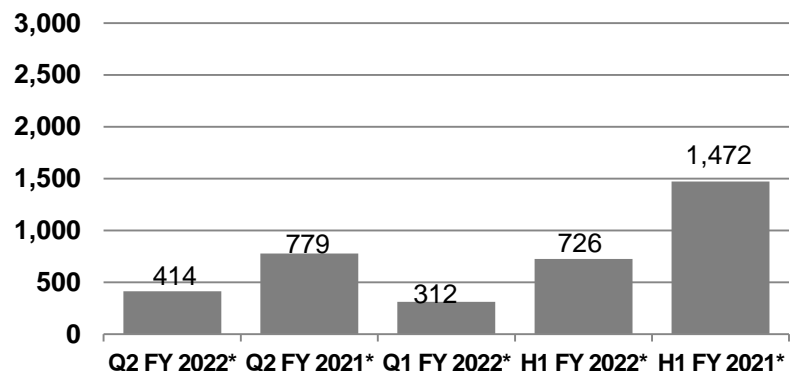
## Other Than Interest Income

(₹ in millions)

### Yearly



### Quarterly



\*Under IND-AS

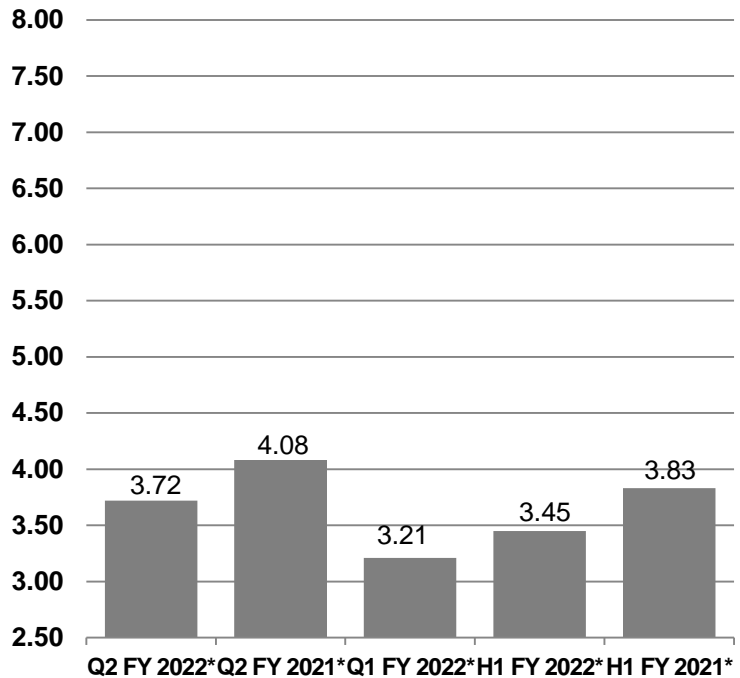
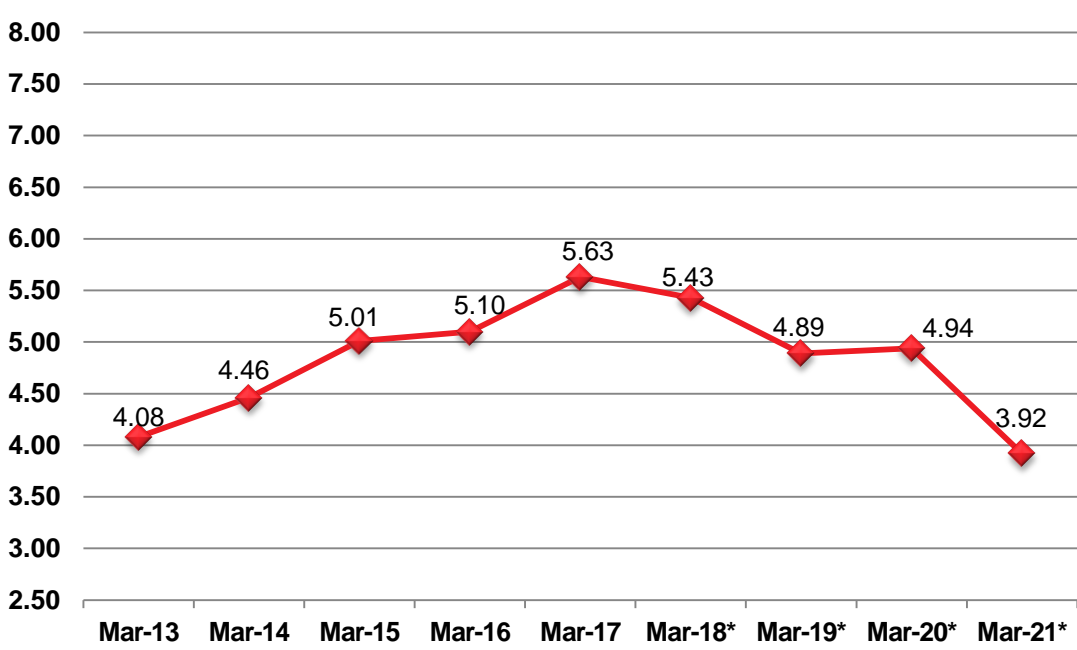


# OPERATING EXPENSES TO AVERAGE LOAN ASSETS

## Operational efficiency over the years

Yearly (%)

Quarterly (%)



\*Under IND AS



## BREAK-UP OF OPERATING EXPENSES

Yearly

(₹ in million)

Quarterly

(₹ in millions)

	Mar-21*	Mar-20*	Mar-19*	Mar-18*	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Q2 FY 2022*	Q2 FY 2021*	Q1 FY 2022*	H1 FY 2022*	H1 FY 2021*
Employee Benefit Expenses	9,270	9,657	8,415	7,393	7,280	6,418	6,304	5,917	5,453	2,242	2,445	2,246	4,488	4,722
Rent	2,189	2,158	1,974	1,913	1,808	1,713	1,650	1,542	1,309	569	592	605	1,174	1,021
Advertisement & Publicity	1,190	1,163	1,056	720	531	626	651	702	579	288	404	209	497	546
Communication Costs	387	355	368	404	372	378	371	364	243	119	101	104	223	176
Traveling and Conveyance	210	273	240	182	186	187	212	190	175	63	49	49	112	81
Printing and Stationery	151	177	153	136	129	144	160	185	168	38	40	33	71	62
Repairs and Maintenance	276	283	280	304	362	290	281	272	256	137	76	121	258	134
Legal and Professional Charges	387	260	203	154	124	93	189	216	86	56	67	48	104	189
Business Promotion Expenses	369	720	481	209	201	149	140	279	332	39	129	41	80	244
Directors Remuneration	793	633	561	431	362	196	192	192	192	68	85	68	136	170
Depreciation and Amortisation Expenses	507	431	421	439	482	575	841	475	454	127	114	114	241	213
Others	2,075	1,677	1,260	2,970	835	1,014	733	731	550	652	395	351	1,004	677
Provision For Standard & NPA Assets	-	-	-	-	2,647	1,223	180	214	765	-	-	-	-	-
Impairment on Financial instruments	950	957	259	316	-	-	-	-	-	744	107	337	1,081	253
<b>Total</b>	<b>18,754</b>	<b>18,744</b>	<b>15,670</b>	<b>15,571</b>	<b>15,319</b>	<b>13,006</b>	<b>11,904</b>	<b>11,279</b>	<b>10,562</b>	<b>5,141</b>	<b>4,604</b>	<b>4,326</b>	<b>9,467</b>	<b>8,488</b>

\*Under IND-AS



# BREAK-UP OF OPERATING EXPENSES

Yearly										(%)	Quarterly					(%)
	Mar-21*	Mar-20*	Mar-19*	Mar-18*	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Q2 FY 2022*	Q2 FY 2021*	Q1 FY 2022*	H1 FY 2022*	H1 FY 2021*		
Employee Benefit Expenses	49	52	54	47	48	49	53	52	52	44	53	52	47	56		
Rent	12	12	13	12	12	13	14	14	12	11	13	14	12	12		
Advertisement & Publicity	6	6	7	5	3	5	5	6	5	6	9	5	5	6		
Communication Costs	2	2	2	3	2	3	3	3	2	2	2	2	2	2		
Traveling and Conveyance	1	1	2	1	1	1	2	2	2	1	1	1	1	1		
Printing and Stationery	1	1	1	1	1	1	1	2	2	1	1	1	1	1		
Repairs and Maintenance	1	2	2	2	2	2	2	2	2	3	2	3	3	2		
Legal and Professional Charges	2	1	1	1	1	1	2	2	1	1	1	1	1	2		
Business Promotion Expenses	2	4	3	1	1	1	1	2	3	1	3	1	1	3		
Directors Remuneration	4	3	4	3	2	2	2	2	2	1	2	2	1	2		
Depreciation and Amortisation Expenses	3	2	3	3	3	4	7	4	4	2	2	3	3	3		
Others	12	9	8	19	5	8	6	6	5	13	9	8	11	8		
Provision For Standard & NPA Assets	-	-	-	-	17	9	2	2	7	-	-	-	-	-		
Impairment on Financial instruments	5	5	2	2	-	-	-	-	-	14	2	8	11	3		
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>		

\*Under IND-AS



# PROFITABILITY RATIOS

Yearly										Quarterly				
										(%)				
(Based on Income)	Mar-21*	Mar-20*	Mar-19*	Mar-18*	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Q2 FY 2022*	Q2 FY 2021*	Q1 FY 2022*	H1 FY 2022*	H1 FY 2021*
Interest expense to Gross Income	34.92	32.00	32.51	30.50	39.92	46.31	48.71	53.08	52.34	34.57	35.76	36.18	35.36	36.13
Selling, general and administrative expenses to Net Income	25.13	29.26	32.24	28.93	34.88	41.36	48.26	44.66	35.89	23.03	26.40	22.37	22.71	25.27
Provisions & Write Offs to Net Income	1.38	1.61	0.59	5.44	8.16	6.20	1.67	1.89	3.49	4.02	0.64	1.94	3.01	0.80
Operational expenses to Net Income	26.51	30.87	32.84	34.38	43.03	47.56	49.93	46.55	39.37	27.04	27.04	24.31	25.72	26.07
OPBDT / Net Income	73.49	69.13	67.16	65.62	56.97	52.44	50.06	53.45	60.62	72.95	72.96	75.69	74.28	73.93
Depreciation to Net Income	0.74	0.73	0.90	1.00	1.33	2.13	3.72	2.03	1.76	0.69	0.69	0.66	0.67	0.67
OPBT / Net Income	72.75	68.40	66.26	64.63	55.63	50.31	46.34	51.42	58.86	72.27	72.27	75.03	73.60	73.26
PBT / Net Income	72.75	68.40	66.26	64.63	55.63	50.31	46.34	51.42	58.86	72.27	72.27	75.03	73.60	73.26
PAT / Net Income	54.09	50.88	42.47	40.38	34.17	30.93	30.23	33.60	39.11	53.61	53.86	56.05	54.79	54.66

\*Under IND-AS



# PROFITABILITY RATIOS

Yearly  (Based on Average Loan Assets)	(%)									Quarterly (%)				
	Mar-21*	Mar-20*	Mar-19*	Mar-18*	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Q2 FY 2022*	Q2 FY 2021*	Q1 FY 2022*	H1 FY 2022*	H1 FY 2021*
Interest income to avg. loan assets	22.17	23.03	21.63	22.21	21.43	19.72	19.30	20.27	21.66	20.73	22.71	20.40	20.48	22.27
Interest expense to avg. loan assets	7.93	7.51	7.16	6.92	8.69	9.25	9.52	10.84	11.38	7.27	8.37	7.47	7.34	8.29
Net Interest Margin	14.24	15.52	14.47	15.29	12.74	10.47	9.78	9.42	10.27	13.46	14.34	12.93	13.15	13.98
Other income to avg. loan assets	0.53	0.43	0.40	0.47	0.35	0.25	0.25	0.16	0.09	0.31	0.71	0.24	0.27	0.68
Net Income Including Other Income	14.77	15.95	14.87	15.76	13.09	10.72	10.03	9.59	10.37	13.76	15.04	13.17	13.42	14.66
Selling, general and administrative expenses to avg. loan assets	3.72	4.68	4.81	5.32	4.56	4.43	4.84	4.28	3.72	3.17	3.98	2.95	3.05	3.71
Provisions and write offs to avg. loan assets	0.20	0.26	0.08	0.11	1.07	0.67	0.17	0.18	0.36	0.55	0.10	0.26	0.40	0.12
PBDT to avg. loan assets	10.85	11.01	9.98	10.33	7.45	5.62	5.02	5.12	6.28	10.04	10.96	9.97	9.96	10.83
Depreciation to avg. loan assets	0.10	0.11	0.12	0.15	0.17	0.23	0.37	0.20	0.18	0.09	0.09	0.08	0.09	0.09
PBT to avg. loan assets	10.75	10.90	9.85	10.19	7.28	5.39	4.65	4.93	6.10	9.95	10.87	9.88	9.88	10.74
Tax to avg. loan assets	2.76	2.79	3.54	3.82	2.81	2.08	1.62	1.71	2.05	2.57	2.77	2.50	2.52	2.73
PAT to avg. loan assets	7.99	8.11	6.31	6.36	4.47	3.32	3.03	3.22	4.05	7.38	8.10	7.38	7.35	8.01
Cash Profit to avg. loan assets	8.09	8.22	6.44	6.51	4.65	3.54	3.40	3.42	4.24	7.47	8.19	7.46	7.44	8.11



# PROFITABILITY

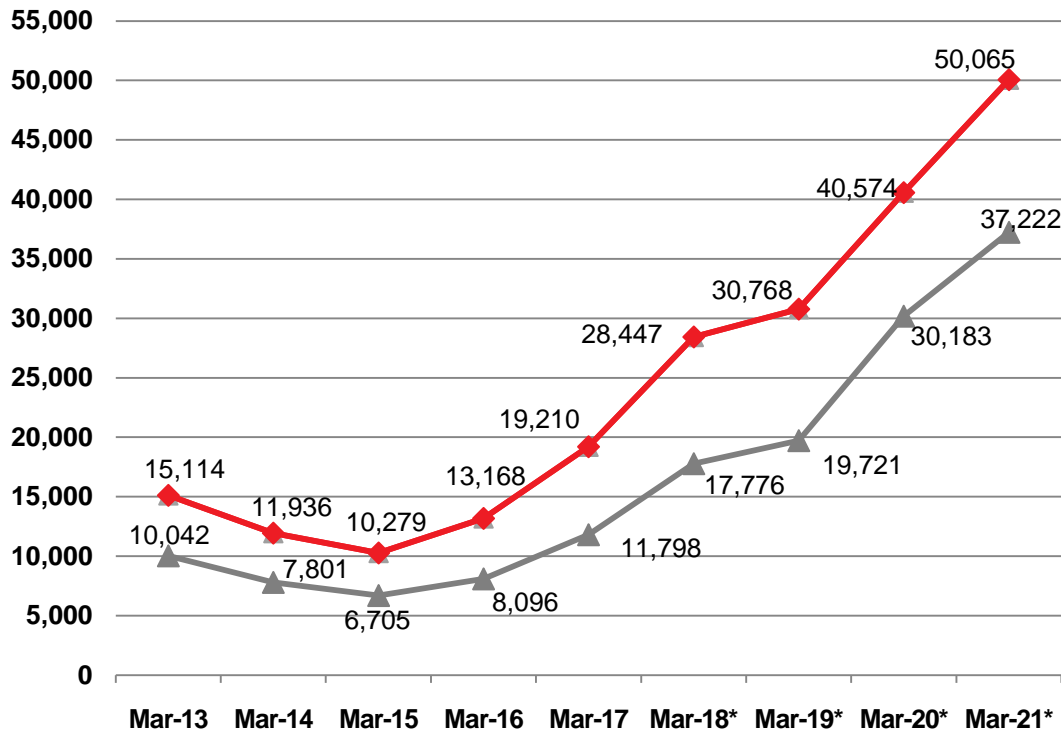
## Efforts getting rewarded

### Profitability at a glance

(₹ in millions)

#### Yearly

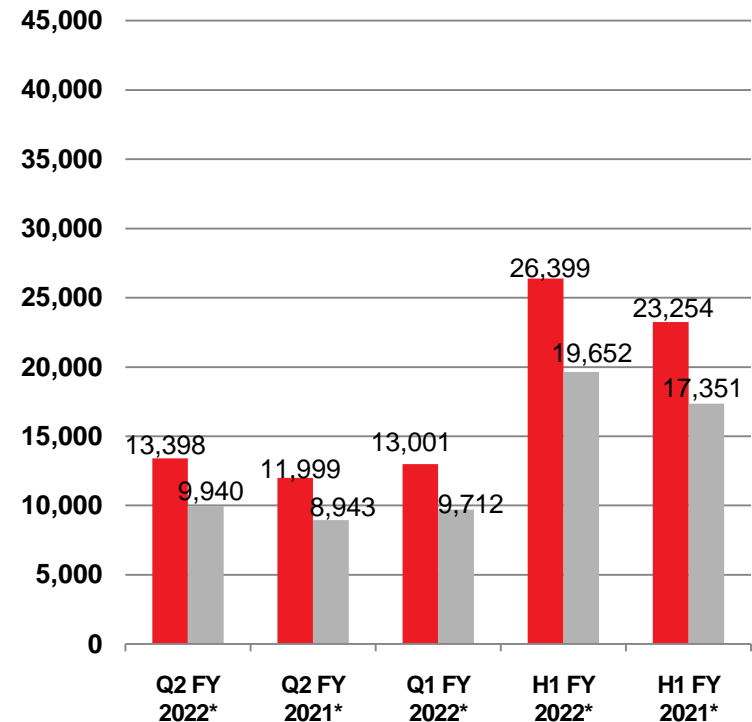
◆ PBT ▲ PAT



\*Under IND-AS

#### Quarterly

■ PBT ■ PAT

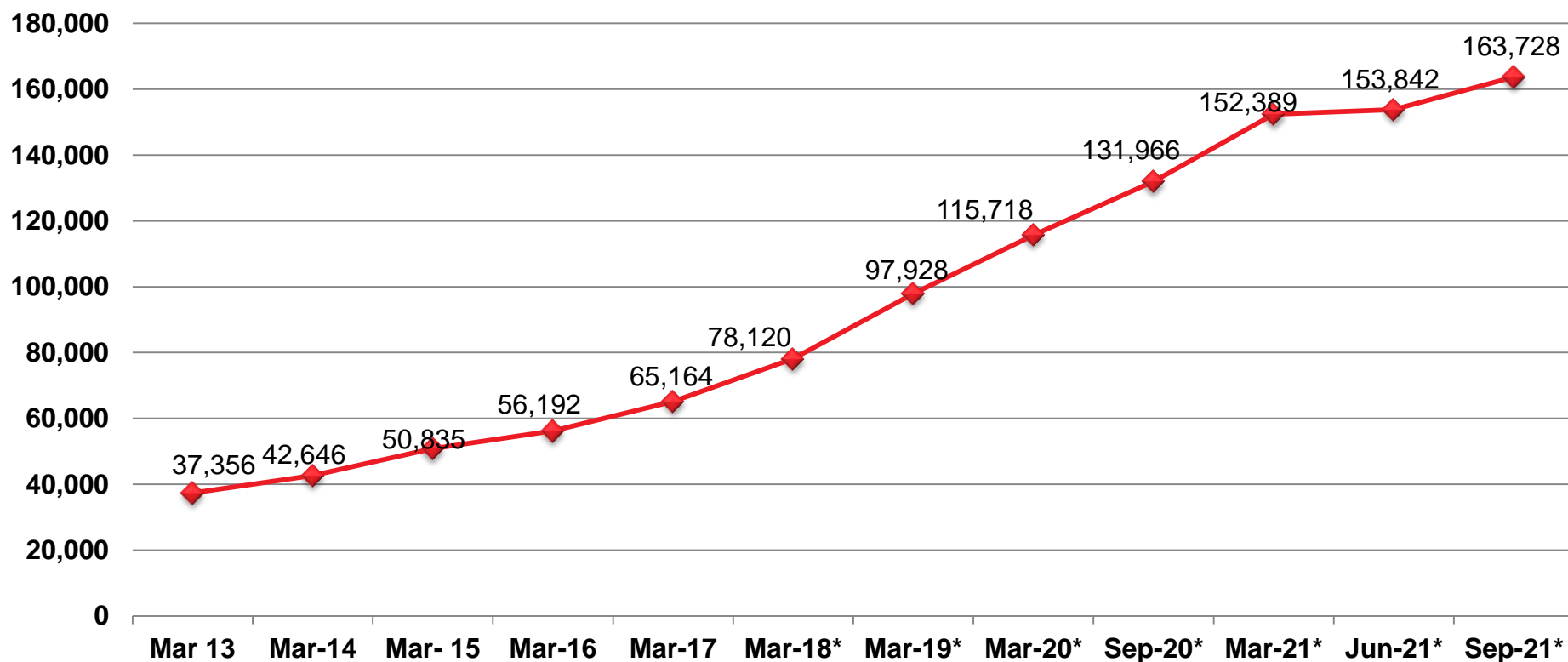




## Steady capital position

### Share Capital and Reserves & Surplus

(₹ in millions)



\*Under IND-AS



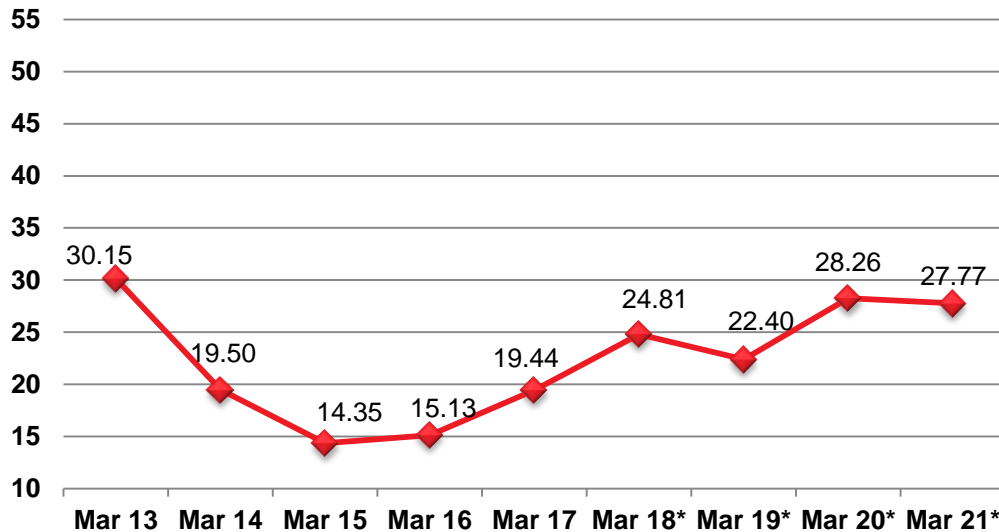
# RETURN ON EQUITY

## Stable shareholder value creation

### Return on Average Equity

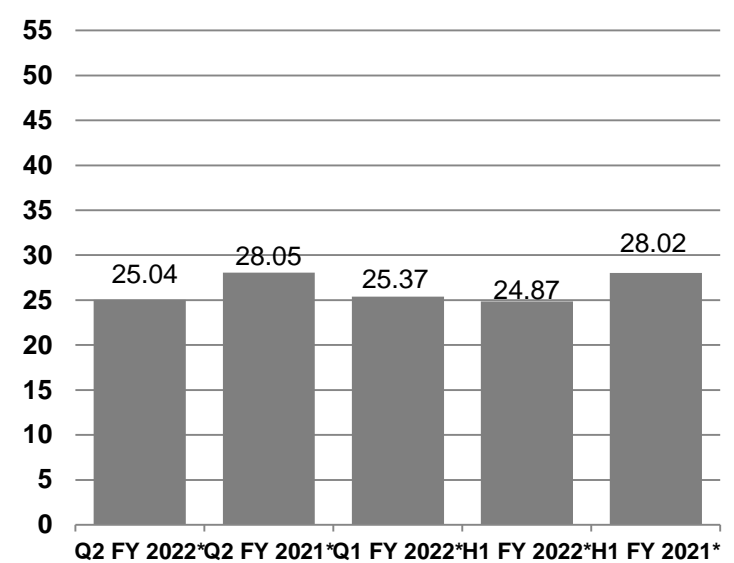
Yearly

(%)



Quarterly

(%)



\*Under IND-AS

## Maintaining capital well above the statutory requirement

### Capital Adequacy Ratio

(%)

	<b>Sep-21</b>	<b>Jun-21</b>	<b>Mar-21</b>	<b>Sep-20</b>
Capital Adequacy Ratio	27.60	27.32	27.39	25.73
Tier-I	26.66	26.26	26.31	24.62
Tier-II	0.94	1.06	1.08	1.11



# MARKET VALUE RATIO

## Equity market valuation ratios indicate potential for upside

	<b>Q2 FY 2022</b>	Q2 FY 2021	Q1 FY 2022	<b>H1 FY 2022</b>	H1 FY 2021	FY 2021
Earnings per share (₹)						
- Basic	24.77	22.30	24.21	48.98	43.26	92.79
- Diluted	24.77	22.28	24.18	48.95	43.22	92.71

	<b>Sep-21</b>	Jun-21	Mar-21	Sep-20
Book Value per share (₹)	407.86	383.33	379.70	328.82
Market price per share (₹)**	1,450.30	1,481.65	1,205.90	1,132.10
Price to Earnings ratio***	14.72	15.43	13.00	13.49
Price to Book Value ratio	3.56	3.87	3.18	3.44

\*\*Source: [www.nseindia.com](http://www.nseindia.com)

\*\*\*Based on trailing 12 months EPS



# CAPITALISATION RATIOS

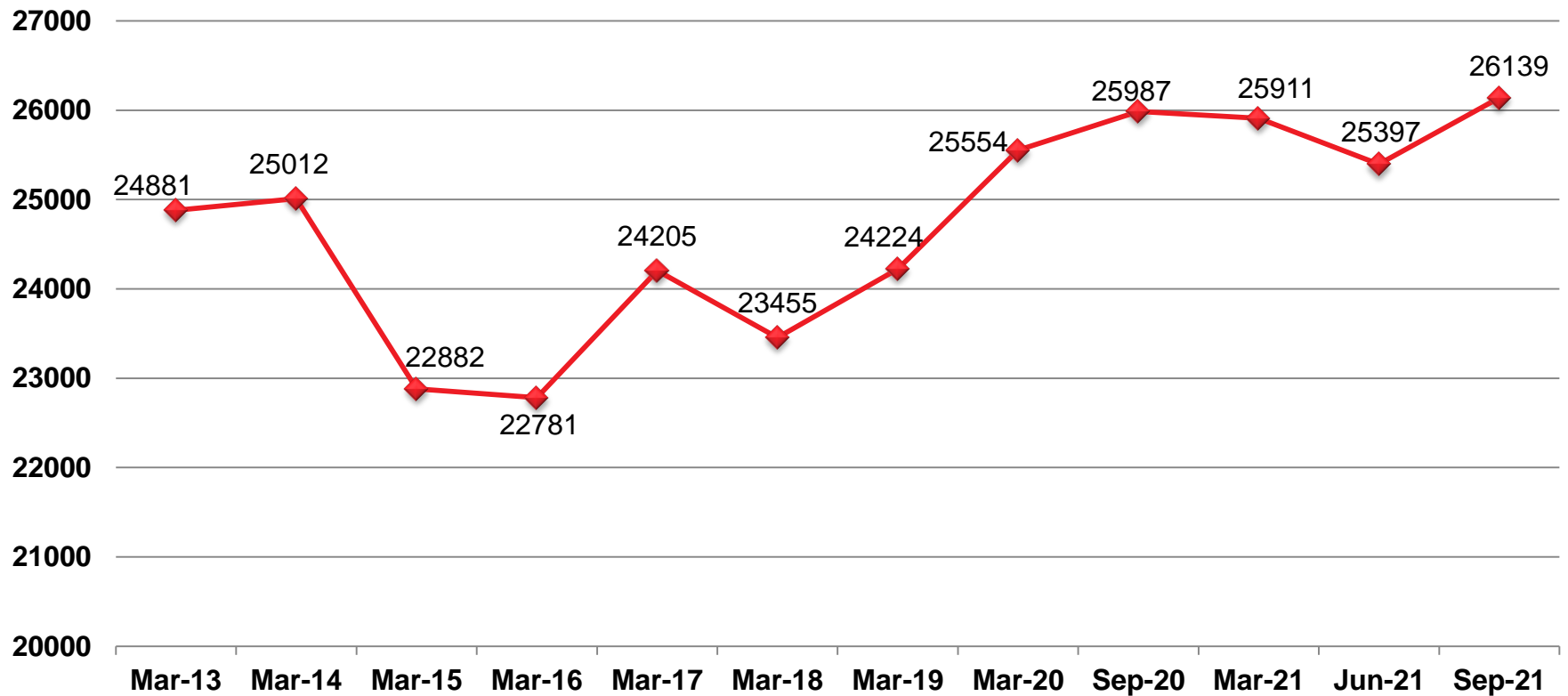
## Headroom for further leveraging

(₹ In millions)

	<b>Sep-21</b>	<b>Jun-21</b>	<b>Mar-21</b>	<b>Sep-20</b>
Outside Liabilities	510,871	499,827	482,260	440,401
Cash & Bank Balances & Investment in MF liquid Funds	77,897	82,492	71,308	79,465
Tangible Networth	163,681	153,791	152,335	131,914
Capital Gearing	2.65	2.71	2.70	2.74

## Groomed human capital over the years to meet growing business requirements

(No. of Employees)





**ASIA ASSET  
FINANCE PLC**

*A finance company with a golden heart*

# ASIA ASSET FINANCE PLC – AN OVERVIEW



Asia Asset Finance PLC, (AAF) Colombo, Sri Lanka became a foreign subsidiary of Muthoot Finance on December 31, 2014. As on September 30, 2021, total holding in AAF stood at 91 million equity shares representing 72.87% of their total capital. The loan portfolio stands at LKR 14,569 million as on September 30, 2021

**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.

**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.**



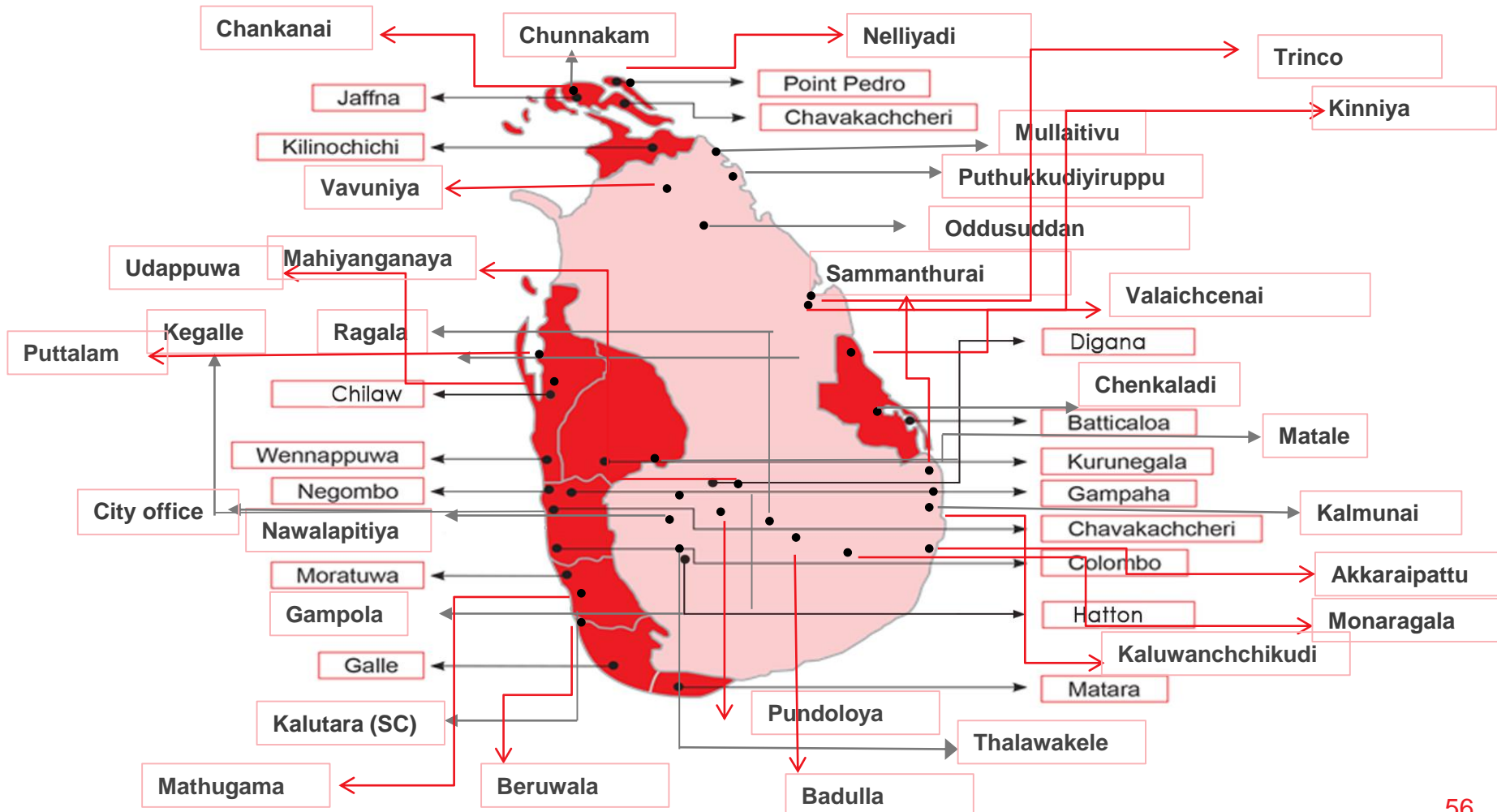
# PRODUCTS



- Fixed Deposits
- Leasing
- Business Loan
- Personal Loan
- Group Personal Loan
- Corporate Loans
- Mortgage Loans
- Factoring
- Short Term Loans
- Micro Finance
- Loan against Gold Jewellery

# BRANCH NETWORK

AAF has operations in various parts of Sri Lanka providing the best services and easy access to clients



## Key Financial Parameters

(LKR in millions)

Particulars	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q1 FY 2022	FY 2021
INR/LKR	0.371040	0.400860	0.371040	0.372288	0.367786
Number of branches	48	30	48	48	48
Number of Employees	405	427	405	425	427
Gross Loan AUM (LKR)	14,569	12,982	14,569	14,289	14,002
Capital Adequacy Ratio (%)	19	17	19	14	17
Total Revenue (LKR)	1,430	1,457	752	678	2,952
Total Expense (LKR)	1,359	1,436	709	650	2,865
Profit Before Tax (LKR)	71	21	43	28	87
Profit After Tax (LKR)	35	1	25	10	45
Shareholders Funds (LKR)	2,671	2,173	2,671	2,232	2,222
Total Outside Liabilities (LKR)	15,038	12,476	15,038	13,829	13,128
Total Assets (LKR)	17,709	14,649	17,709	16,061	15,350

**OUR SUBSIDIARY**





Muthoot Homefin (India) Limited is a Housing Finance Company registered with The National Housing Bank (NHB). It became a wholly owned subsidiary of Muthoot Finance Ltd in Aug'17.

**MHIL focuses on extending affordable housing finance and targets customers in Economically Weaker Sections (EWS) and Lower Income Groups (LIG) in Tier II & Tier III locations.**

It operates on a 'Hub and Spoke' model, with the centralised processing at Corporate Office at Mumbai. MHIL has operations in Kerala, Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Chandigarh, Andhra Pradesh, Telangana, Karnataka, Uttar Pradesh, Haryana, Punjab, Delhi, Tamil Nadu, Chattisgarh and Pondicherry.

**As on September 30, 2021, it has a loan portfolio of Rs.16,405 million.**

ICRA and CARE assigned Short Term Debt Rating of ICRA A1+ and CARE A1+ respectively for its Commercial Paper.

CRISIL assigned Long Term Debt Rating of CRISIL AA+/Stable for its bank limits and Non Convertible debentures.

**Business Performance**

(₹ in millions)

Particulars	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q1 FY 2022	FY 2021
Number of branches	108	108	108	108	108
Number of Sales Offices	108	108	108	108	108
Number of Employees	267	280	267	260	299
Gross Loan AUM (₹)	16,405	19,377	16,405	17,048	17,042
Capital Adequacy Ratio (%)	56	48	56	53	50
Total Revenue (₹)	917	1,159	457	460	2,409
Total Expense (₹)	907	1,082	454	453	2,240
Profit Before Tax (₹)	10	77	3	7	169
Profit After Tax (₹)	7	57	2	5	126
Shareholders Funds (₹)	4,394	4,318	4,394	4,392	4,387
Total Outside Liabilities (₹)	10,476	13,713	10,476	11,014	12,397
Total Assets (₹)	14,870	18,031	14,870	15,406	16,784

**Business Performance**

(₹ in millions)

Particulars	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q1 FY 2022	FY 2021
Disbursement (₹)	738	729	180	557	1,010
Borrowings (₹)	9,985	13,312	9,985	10,531	11,846
Debt Equity Ratio (%)	2.27	3.08	2.27	2.40	2.70
Yield on Advances (%)	12.48	12.89	12.72	12.26	12.51
Interest Spread (%)	4.03	3.58	4.26	3.83	3.41
NIM (%)	6.03	5.25	6.59	5.50	5.13
Cost to Income Ratio (%)	50.97	36.90	54.46	47.50	42.16
Return on Assets (ROA) (%)	0.11	0.67	0.07	0.14	0.75
Return on Equity (ROE) (%)	0.32	2.67	0.21	0.43	2.92
Stage III Loan Assets	775	331	775	1,012	681
% Stage III assets on Gross Loan Assets (AUM)	4.73	1.71	4.73	5.94	4.00
Stage III ECL Provision	320	281	320	309	207
ECL Provision	372	348	372	361	261
ECL Provision as a % of Gross Loan Assets (AUM)	2.27	1.80	2.27	2.12	1.53
Number of Customers	22,030	23,812	22,030	22,421	22,765





## Financial Highlights

- Disbursements in H1 FY 2022: Rs 738 mn. AUM as on September 30, 2021: Rs. 16,405 mn, Loan Book as on September 30, 2021: Rs 13,614 mn.
- Average Ticket Size in H1 FY 2022: Rs. 1 mn
- Business Presence: Maharashtra, Gujarat, Rajasthan, Madhya Pradesh , Kerala, Andhra Pradesh, Telangana, Karnataka, Uttar Pradesh, Haryana ,Chandigarh , Delhi, Punjab ,Tamil Nadu, Chattisgarh and Pondicherry Presence in 108 locations
- ROA for H1 FY 2022: 0.11%, ROE for H1 FY 2022: 0.32%
- Average cost of borrowings of 8.45% for H1 FY 2022. Capital Adequacy Ratio: 55.78%, Debt Equity Ratio: 2.27
- Average Yield: 12.48%, Interest Spread: 4.03%
- Received PMAY subsidy of INR 300 mn for 1679 cases in H1 FY 2022.

## Growth Drivers

- Increasing the leverage from 2.27x currently will help to improve the ROE
- Higher credit rating will help in raising funds at competitive rates.
- Strong liquidity in Group's balance sheet, along with its free cash flows to fund the capital requirements
- Established corporate brand name among borrower segment, superior customer servicing capabilities and effective loan recovery mechanisms
- Tier II / III cities focused distribution network with a in-house sales team along with cross-sale to the existing gold loans customers of the group

## Profitability

- Long Term Rating from CRISIL AA+/Stable which indicates low risk will help in lower cost of funds. Short Term Rating : ICRA A1+ / CARE A1+
- Debt/Equity ratio at 2.27 times as on September 30, 2021, indicates ample scope for financial leverage to increase ROE
- Infrastructure sharing with the parent (Muthoot Finance) helps reduce overall Opex

## Opportunities

- Our focus segment, "affordable housing finance" is the centered around the Government initiative of "Housing for All" by 2022
- Government promoted schemes such as PMAY-CLSS will benefit the end consumers.
- Huge shortfall for housing units in EWS / LIG segment in India
- Attraction of builders to the construction of affordable housing due to Infrastructure status given in Union Budget
- Increase in affordability driven by sustained GDP growth rate and stable property prices.
- Decrease in average members per household and emergence of nuclear families
- Increase in workforce to be driven by expected bulge in working age population
- Increasing urbanization led by rural-urban migration and reclassification of rural towns



## OUR SUBSIDIARY





## MUTHOOT INSURANCE – AN OVERVIEW



MIBPL became a wholly owned subsidiary of Muthoot Finance Ltd in Sep 2016. MIBPL is an unlisted private limited company holding a licence 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 Q2 FY22, it has insured more than 828,300 lives with a First year premium collection of Rs.646 million under Traditional ,Term and Health products..

During Q2 FY21, it has insured more than 807,000 lives with a First year premium collection of Rs.725 million under Traditional ,Term and Health products..



## Key Business Parameters

(₹ in millions)

Particulars	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q1 FY 2022	FY 2021
Premium Collection (₹)	1,590	1,502	984	606	4,055
Number of Policies	11,93,175	958,351	839,208	353,967	32,23,737

## Key Financial Parameters

(₹ in millions)

Particulars	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q1 FY 2022	FY 2021
Total Revenue (₹)	169	196	101	69	467
Total Expense (₹)	47	19	37	11	43
Profit Before Tax (₹)	122	177	64	58	424
Profit After Tax (₹)	91	133	48	43	316
Shareholders Funds (₹)	938	663	938	890	847
Earnings per share (₹)	121	177	63	57	422

## OUR SUBSIDIARY



BELSTAR MICROFINANCE LIMITED



As of March 2021 , Muthoot Finance holds 70.01% in 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.

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 0.20 mn.

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 September 30, 2021, BML operations are spread over 18 states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha ,Pondicherry ,Chattisgarh, Gujarat, Rajasthan, Bihar, Uttar Pradesh, Haryana, Punjab, Jharkhand, Uttarakhand ,West Bengal, Tripura and Delhi. It has 653 branches, with 171 controlling regional offices and employs 5091 staffs. Its gross loan portfolio has grown from INR 0.20 mn in March 2009 to INR 33,544 mn in September 2021

**Key Financial Parameters**

(₹ in millions)

Particulars	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q1 FY 2022	FY 2021
Number of Branches	653	618	653	651	649
Number of Employees	5,091	4,413	5,091	4,651	4,562
Gross Loan AUM (₹)	33,544	26,867	33,544	30,721	32,999
Capital Adequacy Ratio (%)	20	27	20	23	22
Total Revenue (₹)	3,016	2,491	1,501	1,515	5,532
Total Expense (₹)	2,975	2,107	1,479	1,496	4,962
Profit Before Tax (₹)	41	384	22	19	570
Profit After Tax (₹)	42	296	22	20	467
Stage III Loan Assets	1,210	167	1,210	1,126	783
% Stage III assets on Gross Loan Assets (AUM)	3.61	0.62	3.61	3.67	2.37
Stage III ECL Provision	869	264	869	742	618
ECL Provision	1,465	462	1,465	1,273	980
ECL Provision as a % of Gross Loan Assets (AUM)	4.37	1.72	4.37	4.14	2.97
Shareholders Funds (₹)	5,448	5,244	5,448	5,431	5,417
Total Outside Liabilities (₹)	29,593	24,300	29,593	25,832	29,256
Total Assets (₹)	35,041	29,544	35,041	31,263	34,673

## OUR SUBSIDIARY



# MUTHOOT MONEY– AN OVERVIEW



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.

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As on 30<sup>th</sup> September, 2021 it has a total loan portfolio of Rs.2,815 million.

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CRISIL assigned Long Term Debt Rating of CRISIL AA/Stable for its bank limits.



## Key Financial Parameters

(₹ in millions)

Particulars	H1 FY 2022	H1 FY 2021	Q2 FY 2022	Q1 FY 2022	FY 2021
Number of branches	11	18	11	11	14
Number of Employees	138	234	138	143	188
Gross Loan AUM (₹)	2,815	4,633	2,815	3,326	3,668
Capital Adequacy Ratio(%)	40	22	40	33	29
Total Revenue (₹)	238	382	132	106	697
Total Expense (₹)	228	330	119	108	656
Profit Before Tax (₹)	10	52	13	(2)	41
Profit After Tax (₹)	8	48	9	(1)	37
Stage III Loan Assets	477	237	477	627	314
% Stage III assets on Gross Loan Assets (AUM)	16.95	5.12	16.95	18.85	8.56
Stage III ECL Provision	115	168	115	152	129
ECL Provision	150	190	150	189	172
ECL Provision as a % of Gross Loan Assets (AUM)	5.33	4.10	5.33	5.68	4.69
Shareholders Funds (₹)	1,107	1,110	1,107	1,099	1,099
Total Outside Liabilities (₹)	1,738	3,701	1,738	2,207	2,789
Total Assets (₹)	2,845	4,811	2,845	3,306	3,888



## OTHER SUBSIDIARIES

### MUTHOOT ASSET MANAGEMENT PRIVATE LIMITED

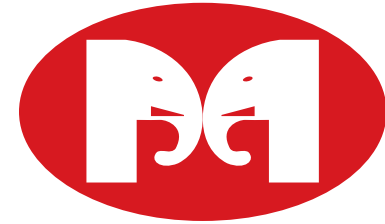
(₹ In millions)

	<b>H1 FY 2022</b>	<b>H1 FY 2021</b>	<b>Q2 FY 2022</b>	<b>Q1 FY 2022</b>	<b>FY 2021</b>
<b>Networth</b>	1,082	1,068	1,082	1,076	1,072

### MUTHOOT TRUSTEE PRIVATE LIMITED

(₹ In millions)

	<b>H1 FY 2022</b>	<b>H1 FY 2021</b>	<b>Q2 FY 2022</b>	<b>Q1 FY 2022</b>	<b>FY 2021</b>
<b>Networth</b>	10	10	10	10	10



# ***Muthoot Finance***

## **REGISTERED OFFICE**

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Fax: (91484) 2396506

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**CIN:** L65910KL1997PLC011300

**RBI Reg No:** N 16.00167

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