

Muthoot Finance

Financial Results Q4 FY 2021

March 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.

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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

	FY 2021	FY 2020	YoY(%)
Group Branch Network (Nos)	5,451	5,330	2
Consolidated Gross Loan Assets* of the Group (₹ in million)	582,802	468,705	24
Consolidated Profit of the Group (₹ in million)	38,189	31,687	21
Contribution in the Consolidated Gross Loan Assets* of the Group			
Muthoot Finance (%)	90	88	
Subsidiaries (%)	10	12	
Contribution in the Consolidated Profit of the Group			
Muthoot Finance (%)	97	95	
Subsidiaries (%)	3	5	

*Principal amount of Loan assets

Gross Loan Assets* of the Group

(₹ in millions)

	FY 2021	FY 2020	YoY (%)
Muthoot Finance Limited	526,223	416,106	26
Muthoot Homefin (India) Limited	17,042	19,769	(14)
Belstar Microfinance Limited	32,999	26,310	25
Muthoot Money Limited	3,668	5,090	(28)
Asia Asset Finance PLC	5,150	5,380	(4)
Less: Intra-Group Loan Assets	2,280	3,950	(42)
Total	582,802	468,705	24

*Principal amount of Loan assets

Standalone Profit of Group Companies

(₹ in millions)

	FY 2021	FY 2020
Muthoot Finance Limited	37,222	30,183
Muthoot Homefin (India) Limited	126	318
Muthoot Insurance Brokers Private Limited	316	104
Belstar Microfinance Limited	467	990
Muthoot Money Limited	37	27
Asia Asset Finance PLC	18	28
Muthoot Asset Management Private Limited	19	51
Muthoot Trustee Private Limited	(0.10)	(0.13)

**Consolidated Statement of Assets and Liabilities**

(₹ in millions)

Particulars	FY 2021	FY 2020
ASSETS		
Financial assets		
Cash and cash equivalents	77,775	58,348
Bank Balance other than above	2,435	2,959
Derivative Financial Instruments	154	3,449
Trade Receivables	98	90
Loans	588,085	470,677
Investments	8,085	6,302
Other Financial Assets	4,383	2,449
Non-Financial Assets		
Current Tax Assets(Net)	94	94
Defered Tax Assets(Net)	593	171
Investment Property	139	156
Property ,Plant and Equipment	2,575	2,427
Right to use Asset	170	168
Capitall Work- In- Progress	385	287
Goodwill	300	300
Other Intangible Assets	86	85
Intangible assets under development	1	-
Other Non Financial Assets	1,056	854
Total- Assets	686,414	548,816

**Consolidated Statement of Assets and Liabilities**

(₹ in millions)

Particulars	FY 2021	FY 2020
LIABILITIES		
Financial Liabilities		
Derivative Financial Instruments	3,305	-
Trade Payables	2,112	2,259
Other Payables	2	-
Debt Securities	146,670	102,660
Borrowings(other than Debt securities)	351,010	300,115
Deposits	2,580	2,560
Subordinated Liabilities	3,707	4,017
Lease Liability	178	168
Other Financial Liabilities	13,598	11,885
Non-Financial Liabilities		
Current Tax Liabilities(net)	1,303	808
Provisions	3,695	3,712
Deferred Tax Liabilities(net)	142	151
Other Non-Financial Liabilities	517	468
EQUITY		
Equity attributable to equity owners of the company	155,750	118,292
Non-Controlling Interest	1,846	1,721
Total Liabilities and Equity	686,414	548,816



Consolidated Financial Results

(₹ in millions)

Particulars	FY 2021	FY 2020
Income		
Interest Income	112,316	94,177
Service Charges	986	943
Sale of Services	120	191
Other Income	356	233
Income other than above	1,886	1,528
Total Income	115,664	97,072
Expenses		
Finance Cost	40,999	31,728
Impairment of Financial Instruments	2,552	1,871
Employee Benefit Expenses	11,893	12,085
Depreciation, Amortisation and Impairment	674	592
Other Expenses	8,232	8,192
Total Expenses	64,349	54,468
Profit before tax	51,315	42,604
Tax expense	13,126	10,917
Profit after Tax	38,189	31,687
Earnings per share –Basic (₹)	94.84	78.30
Earnings per share –Diluted (₹)	94.76	78.20



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

171 tonnes

Gold jewellery kept as security

4,600+

Pan-India branches

100,000+

Retail investor base across debenture and subordinated debt portfolio

25,000+

Team members

200,000+

Customers served every day

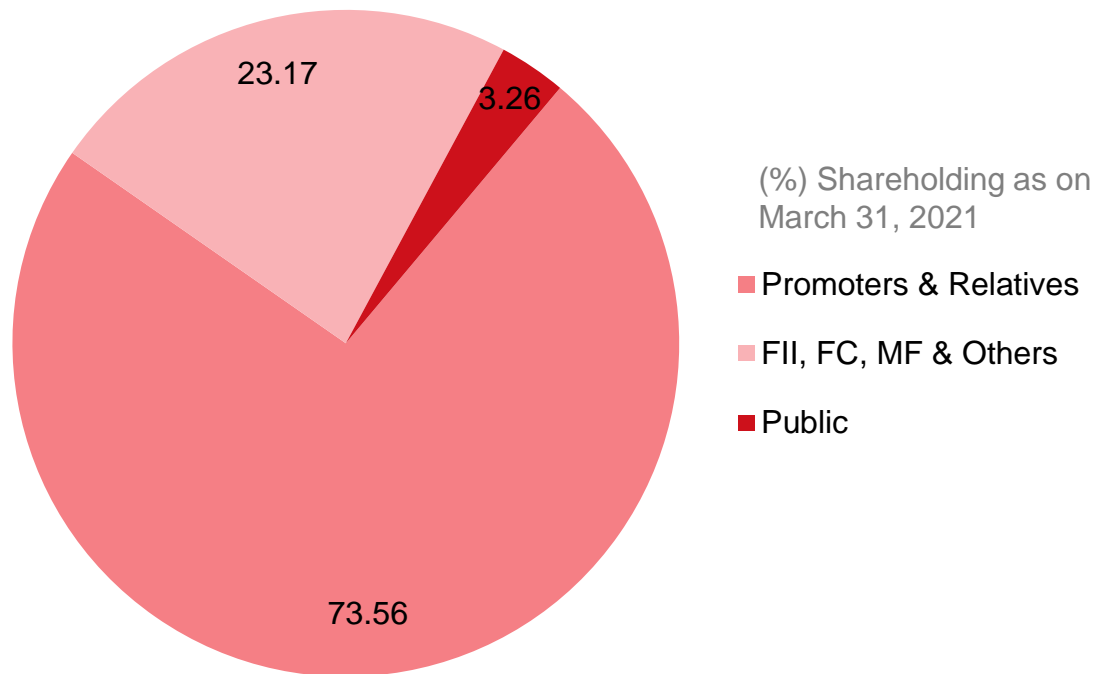
₹ 526,223 mn

Loan Assets Under Management

(As of March 31, 2021)

SHAREHOLDING PATTERN

Strong promoter interest in business with 74% stake



NSE Ticker

MUTHOOTFIN

BSE Ticker

533398

Market Capitalisation

(as on March 31,2021)

₹ 483,802 million



BOARD OF DIRECTORS



George Alexander Muthoot
Managing Director



George Thomas Muthoot
Wholetime Director



George Jacob 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



DIVIDEND PAYOUT

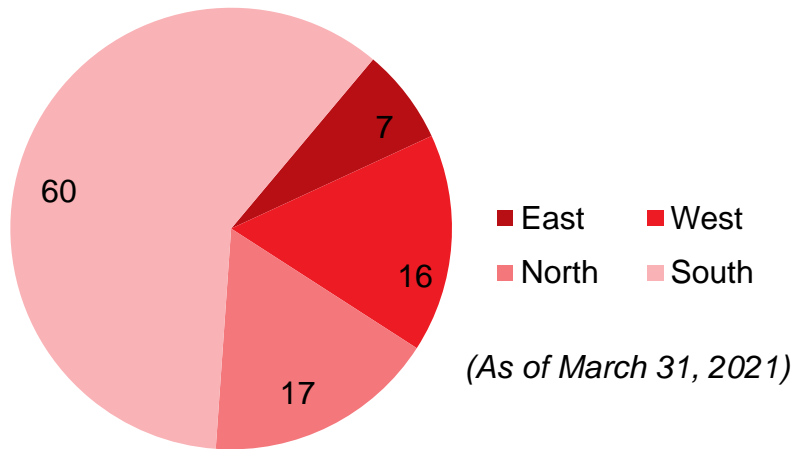
Delivering consistent returns to stakeholders								(%)
	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	
Dividend (%)*	200	150	120	100	60	60	60	
Dividend payout (₹ in millions)	8,024	7,249	5,796	4,813	2,885	2,877	2,813	
Dividend Payout Ratio (%)	21	19	24	22	20	29	35	

* On face value of ₹ 10 per equity share

GEOGRAPHICAL PRESENCE

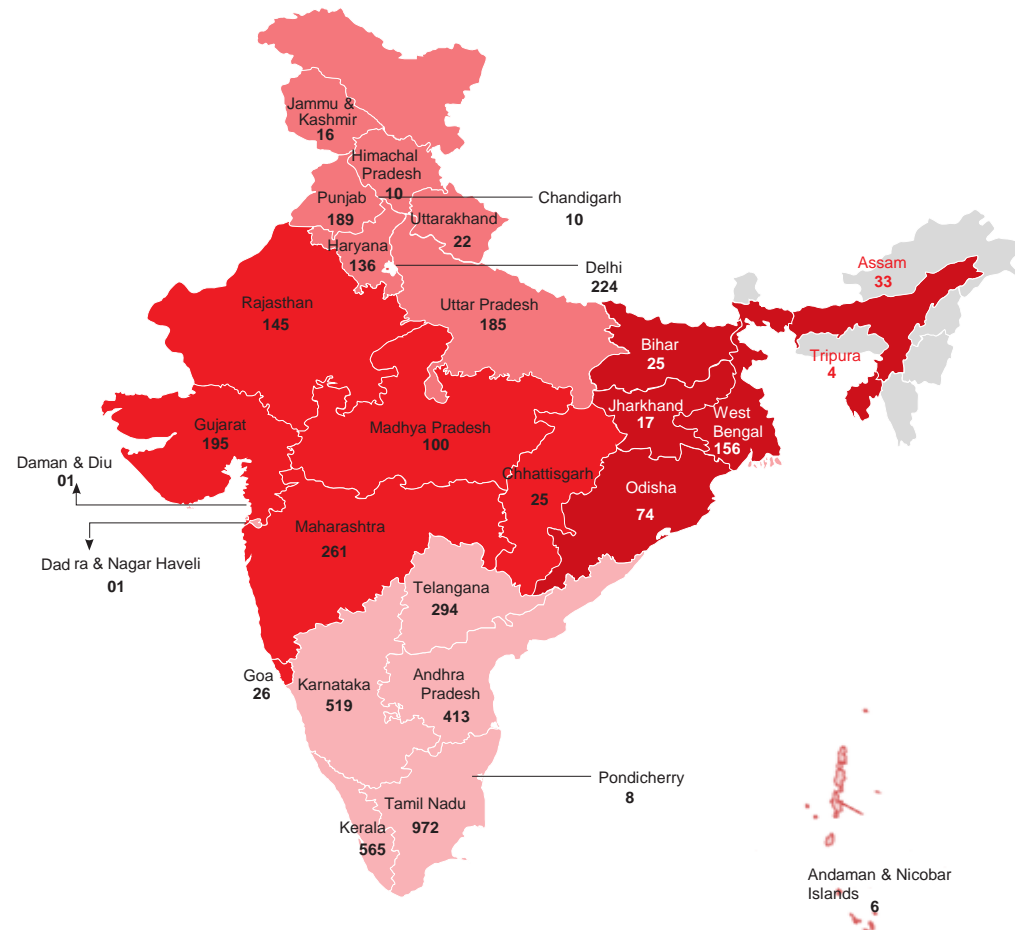
A strong presence of 4632 branches across India

(%) Branches region wise



- 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

State wise Branch Network



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



Loan repayment option through



- Paytm
- PhonePay

Online Gold Loan (OGL)

- 24 % 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

iMuthoot App



Mobile App



- Launched in Nov'16 has about 32.3 lakhs downloads.
- Online Gold Loan (OGL) facility available to withdraw loan amount and renewal, apart from payments.
- Rs.5,175 Crs payments from 1.55 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)
- Introduced Whats App opt-in facility for customers

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	FY 2021	FY 2020
ASSETS		
Financial assets		
Cash and cash equivalents	71,167	55,046
Bank Balance other than above	731	1,360
Derivative Financial Instruments	154	3,449
Trade Receivables	35	47
Loans	540,634	426,042
Investments	15,903	14,383
Other Financial Assets	2,099	1,057
Non-Financial Assets		
Deferred Tax Assets(Net)	286	-
Property ,Plant and Equipment	2,416	2,227
Capital Work- In- Progress	385	287
Other Intangible Assets	54	51
Other Non Financial Assets	786	648
Total- Assets	634,649	504,597

**Standalone Statement of Assets and Liabilities**

(₹ in millions)

Particulars	FY 2021	FY 2020
LIABILITIES		
Financial Liabilities		
Derivative Financial Instruments	3,305	-
Trade Payables	2,017	2,185
Debt Securities	137,961	99,619
Borrowings(other than Debt securities)	319,406	268,706
Subordinated Liabilities	2,096	2,976
Other Financial Liabilities	12,135	10,617
Non-Financial Liabilities		
Current Tax Liabilities(net)	1,282	782
Provisions	3,626	3,633
Deferred Tax Liabilities(net)	-	40
Other Non-Financial Liabilities	432	321
EQUITY		
Equity Share Capital	4,012	4,010
Other Equity	148,377	111,708
Total Liabilities	634,649	504,597



REVENUE & PROFIT

Standalone Financial Results

(₹ in millions)

	FY 2021	FY 2020	YoY Growth (%)	Q4 FY 2021	Q3 FY 2021	Q2 FY 2021	Q1 FY 2021
INCOME							
Interest Income	103,285	85,644	21	27,891	27,169	25,066	23,160
Other than Interest Income	2,458	1,584	55	390	596	778	694
Total	105,744	87,228	21	28,281	27,765	25,844	23,854
EXPENSES							
Finance Cost	36,924	27,909	32	9,513	9,455	9,241	8,715
Employee benefit Expense	9,270	9,657	(4)	2,209	2,329	2,450	2,282
Administrative & Other expenses	7,235	7,067	2	2,246	1,858	1,853	1,277
Impairment on Financial Instruments	950	957	(1)	111	585	107	146
Directors Remuneration	793	633	25	551	81	80	80
Depreciation & Amortisation	507	431	18	154	140	114	99
Total	55,678	46,654	19	14,784	14,450	13,845	12,599
PROFIT							
Profit Before Tax	50,065	40,574	23	13,496	13,315	11,999	11,255
Profit After Tax	37,222	30,183	23	9,957	9,914	8,943	8,408

Strong Capital Base

Networth

(₹ in millions)

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20
Equity Share Capital	4,012	4,012	4,012	4,010	4,010
Other Equity	148,377	137,768	127,954	119,151	111,708
Total	152,389	141,780	131,966	123,161	115,718

Core focus continues to be gold loan

Gross Loan Assets under management*

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20	Growth	Growth
	(₹ in million)	(₹ in million)	(₹ in million)	(₹ in million)	(₹ in million)	YoY (%)	QoQ (%)
Gross loan assets under management	526,223	503,907	470,163	412,957	416,106	26	4

Break-up of Gross Loan Assets under management

Gold Loans under management	519,266	496,225	462,339	404,949	407,724	27	5
Other loans	6,957	7,682	7,824	8,008	8,382	(17)	(9)

*Principal amount of Loan assets

LIABILITIES

Stable sources of funding*

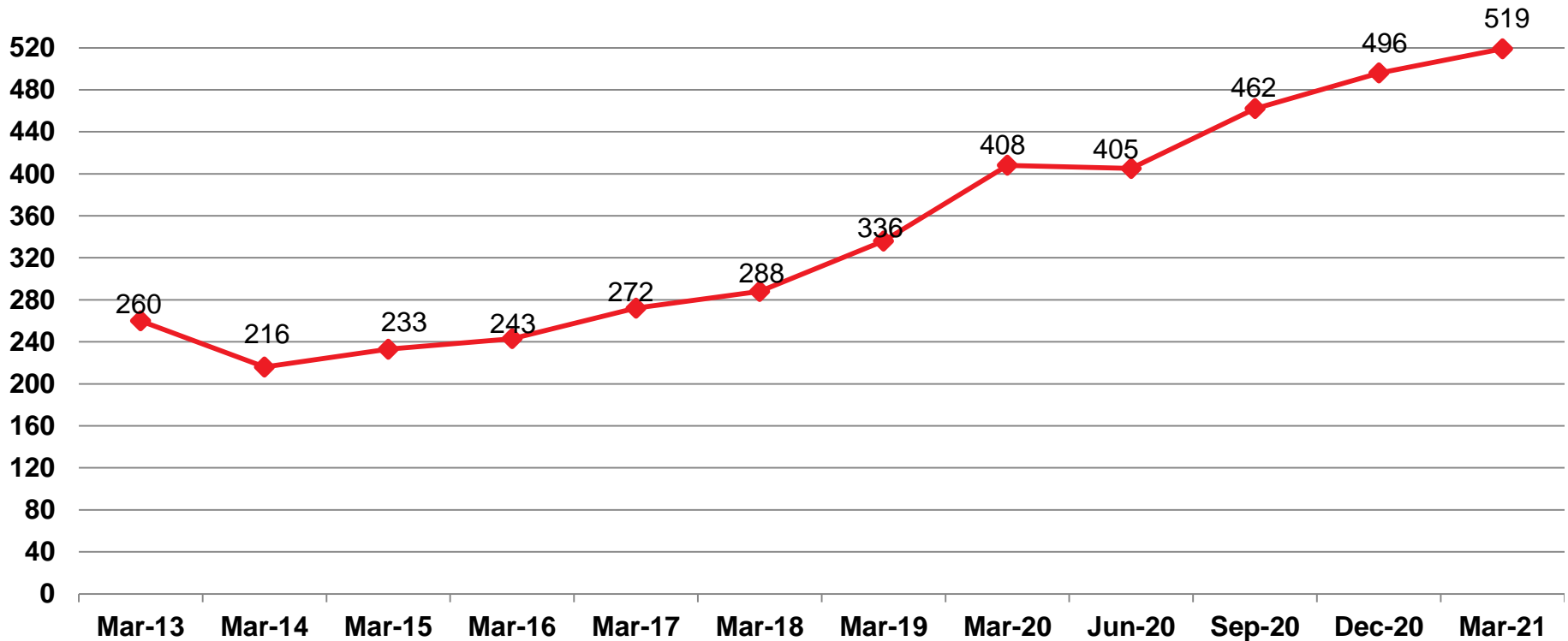
	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20	Growth	Growth
	(₹ in million)	(₹ in million)	(₹ in million)	(₹ in million)	(₹ in million)	YoY (%)	QoQ (%)
Secured Non-Convertible Debentures (Muthoot Gold Bonds)	2,635	2,775	2,896	3,023	3,160	(17)	(5)
Secured Non-Convertible Debentures-Listed	135,656	132,758	108,190	90,110	96,840	40	2
Borrowings from Banks/FIs	198,331	194,851	177,364	156,452	145,775	36	2
External Commercial Borrowings- Senior secured Notes	73,111	73,305	73,853	75,583	75,665	(3)	-
Subordinated Debt	-	-	-	-	21	(100)	-
Subordinated Debt -Listed	2,106	2,411	2,775	2,969	2,969	(29)	(13)
Commercial Paper	38,540	49,572	47,290	49,288	35,954	7	(22)
Other Loans	9,817	9,845	9,956	11,268	11,880	(17)	-
Total	460,196	465,517	422,324	388,693	372,264	24	(1)

*Principal amount of Borrowings

Gaining scale over the years

Gold Loan Assets Under Management*

(₹ in billions)

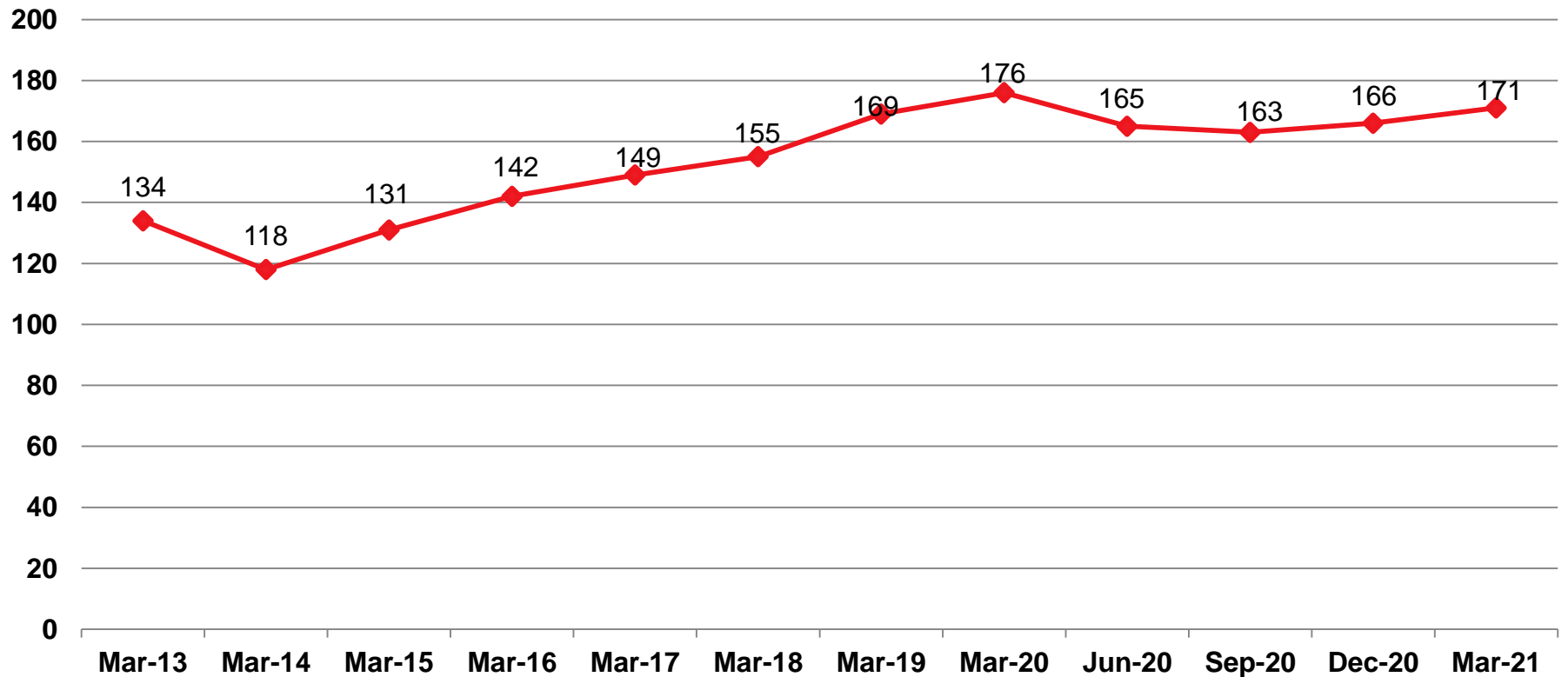


*Principal amount of gold Loan assets

Carrying the trust of millions of our customers

Gold jewellery kept as security

(In tonnes)

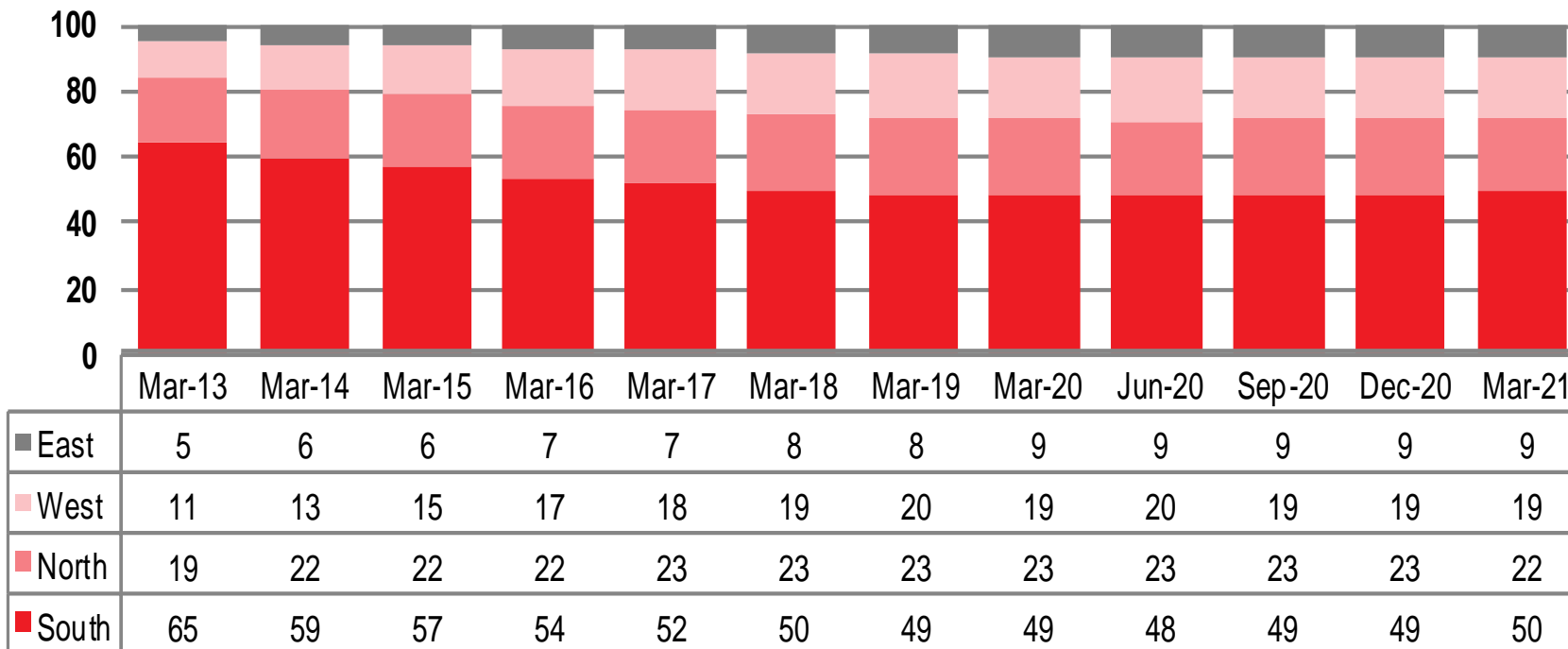




GEOGRAPHICAL SPREAD OF GOLD LOAN PORTFOLIO *Muthoot Finance*

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	Jun-20	Sep-20	Dec-20	Mar-21
260	216	233	243	272	288	336	408	405	462	496	519

*Principal amount of Gold Loan Assets

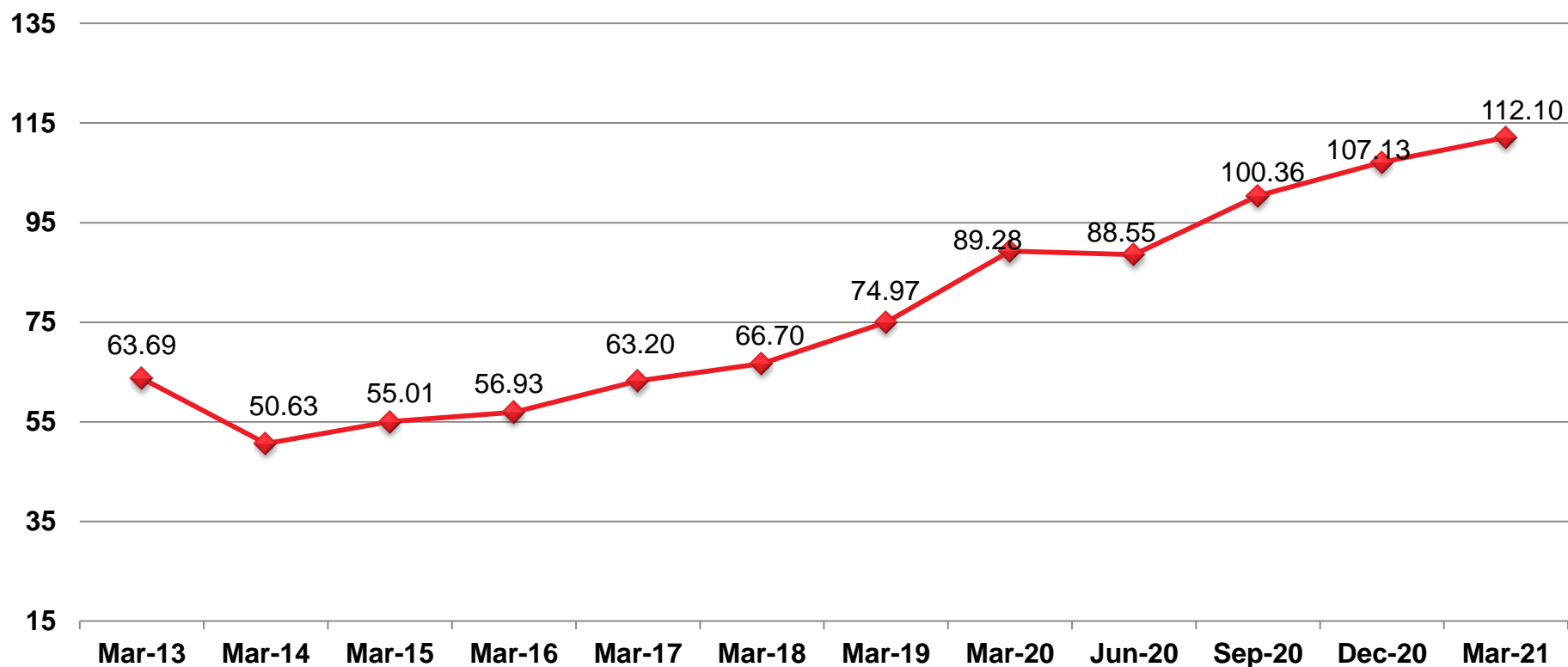


PRODUCTIVITY

Widening presence with increasing gold loan business per branch

Average Gold Loan Per Branch *

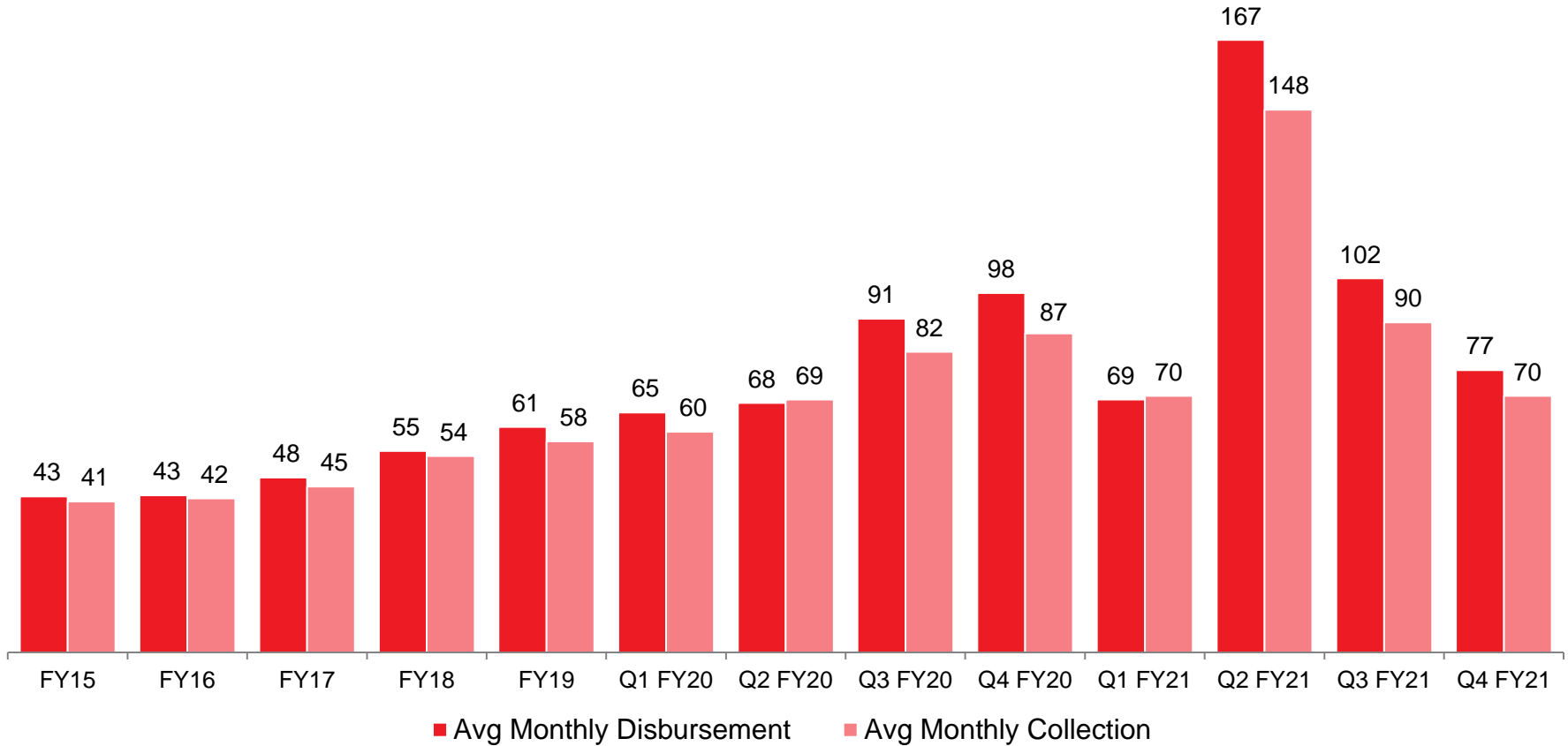
(₹ in millions)



*Principal amount of Gold Loan Assets

Disbursements and Collections

(₹ in billions)

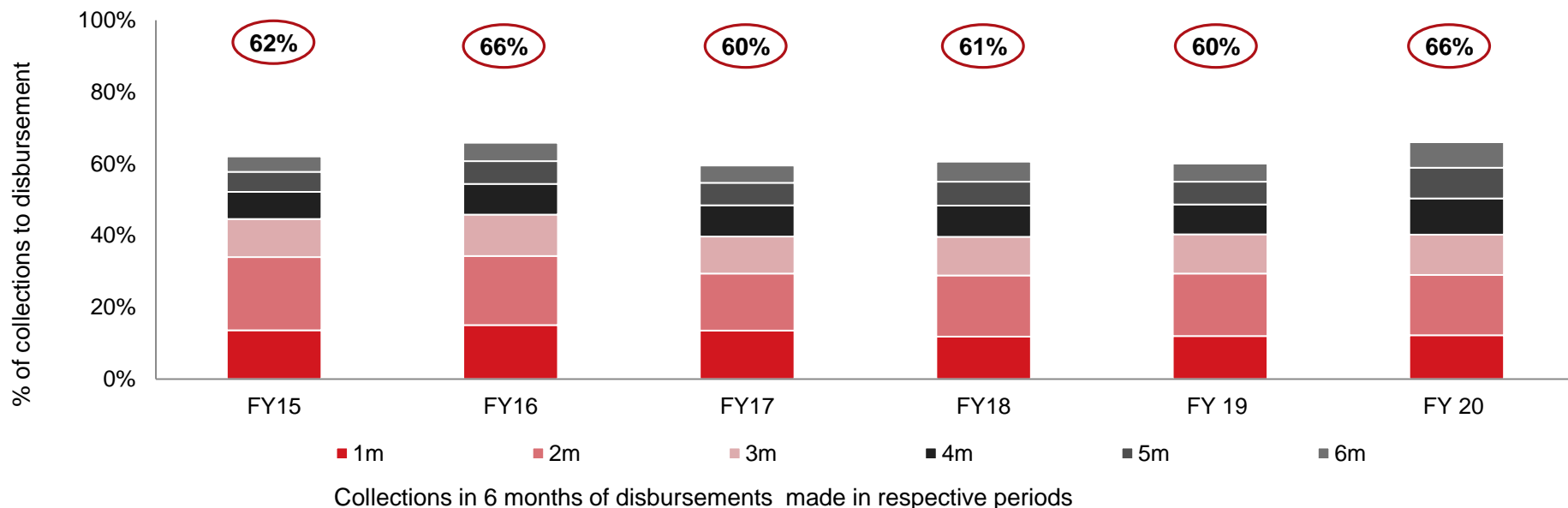


- Strong level of disbursements and collections



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 & Borrower's Perspective

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15
Gold Loan assets (₹ in Billions)	519	497	462	405	407	336	288	272	243	233
Quantity of Gold content in Ornaments held as Security (Tonnes)	171	166	163	165	176	169	155	149	142	131
Gold Price/gm (₹)	4,048	4,599	4,621	4,448	3,955	2,910	2,824	2,725	2,670	2,470
Lender's Perspective										
Market Price of Gold Content in Ornaments (₹ in Billions)	692	763	753	734	696	492	438	406	379	324
Margin of safety on loans	25%	35%	39%	45%	42%	32%	34%	33%	36%	28%
Borrower's Perspective										
Market Value of Gold Ornaments (₹ in Billions) with 20% additional value towards making charges etc	830	916	904	881	835	590	526	487	455	389
Equity of Borrower in the Gold Ornaments net of loans availed	37%	46%	49%	54%	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)

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19	Jun-19	Mar-19
Gold Loan AUM (₹ in Millions)	519,266	496,225	462,339	404,949	407,724	377,245	349,419	351,708	335,853
QoQ % change in Gold Loan AUM	5	7	14	(1)	8	8	(1)	5	-
No. of Loan Accounts	84,10,139	80,32,610	76,24,105	75,79,640	80,22,325	80,25,103	81,03,274	82,35,723	80,62,139
QoQ % change in no. of loan accounts	5	5	1	(6)	-	(1)	(2)	2	-
No. of Active customers	51,90,220	50,15,666	48,28,505	47,45,491	49,33,886	48,95,029	48,57,129	48,51,024	47,21,243
QoQ % change in no. of customers	3	4	2	(4)	1	1	-	3	-

Highly churning customer base (2/2)

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19	Jun-19	Mar-19
Above Gold Loan AUM and No. of customers includes:									
Fresh loans to inactive customers during the quarter in Gold Loan AUM									
No. of customers	432,320	438,173	395,800	185,351	352,036	400,888	367,872	414,527	380,171
% of customers	8	9	8	4	7	8	8	9	8
O/s Loan Amount (₹ in Millions)	29,170	29,600	27,268	10,547	21,806	23,608	17,549	21,226	20,023
Fresh loans to New Customers during the quarter in Gold Loan AUM									
No. of customers	361,090	388,391	409,037	160,123	346,626	376,036	347,848	387,384	360,251
% of customers	7	8	8	3	7	8	7	8	8
O/s Loan Amount (₹ in Millions)	27,528	29,759	33,388	10,807	25,622	25,583	19,241	23,487	23,148
Fresh loans with new collateral to existing active customers during the quarter in Gold Loan AUM									
No. of customers	756,618	720,583	644,535	364,964	702,566	802,024	799,453	845,482	779,363
% of customers	15	14	13	8	14	16	16	17	17
O/s Loan Amount (₹ in Millions)	48,859	46,175	43,390	20,576	42,368	49,661	41,281	48,079	42,751

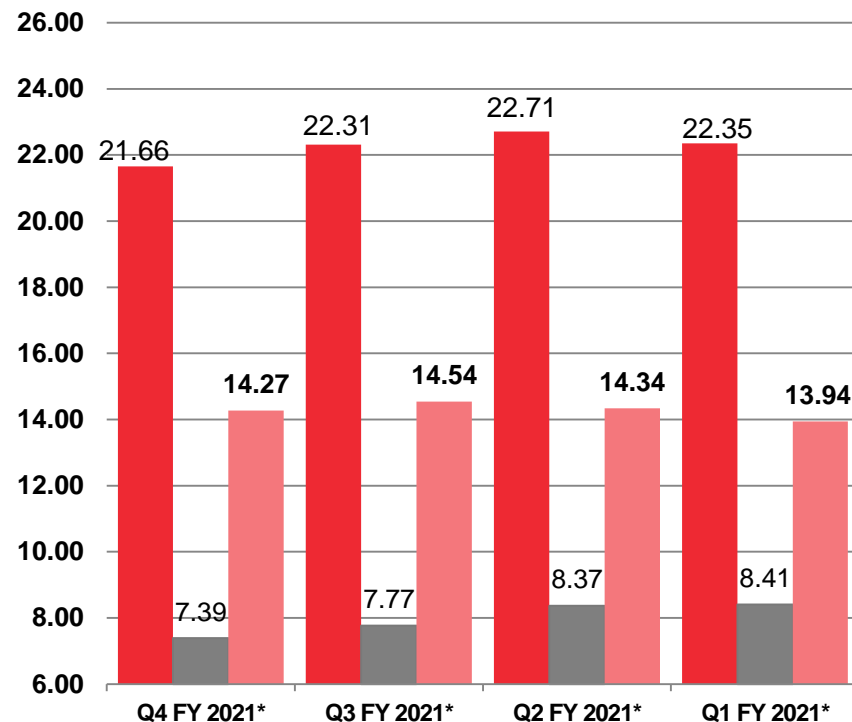
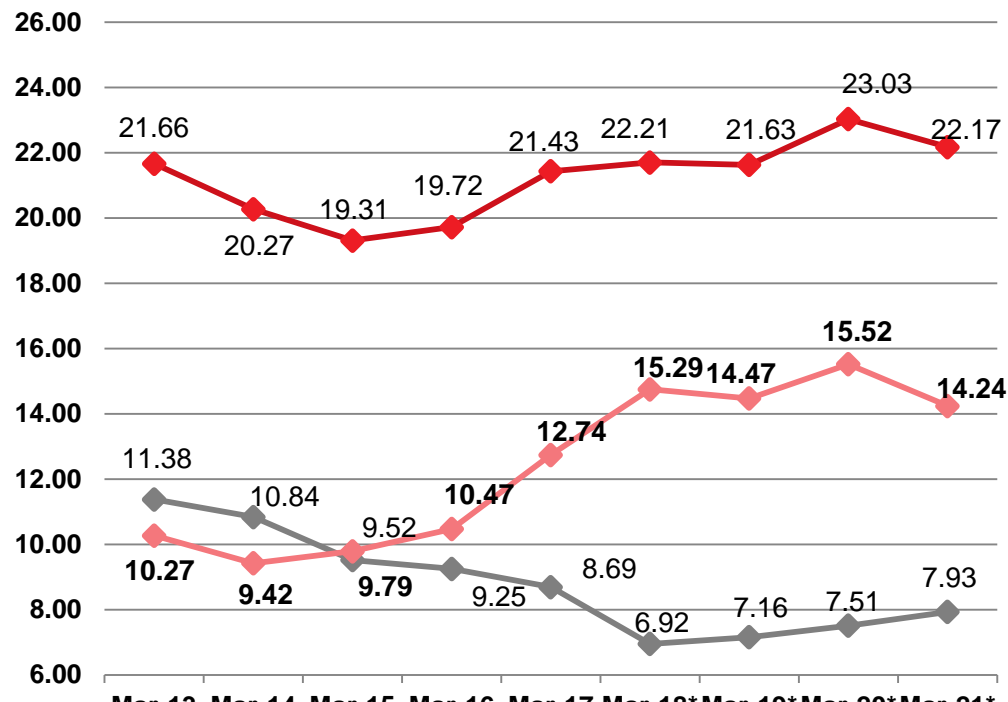
YIELD ON LOAN ASSETS AND NIM

Yearly

(%)

Quarterly

(%)



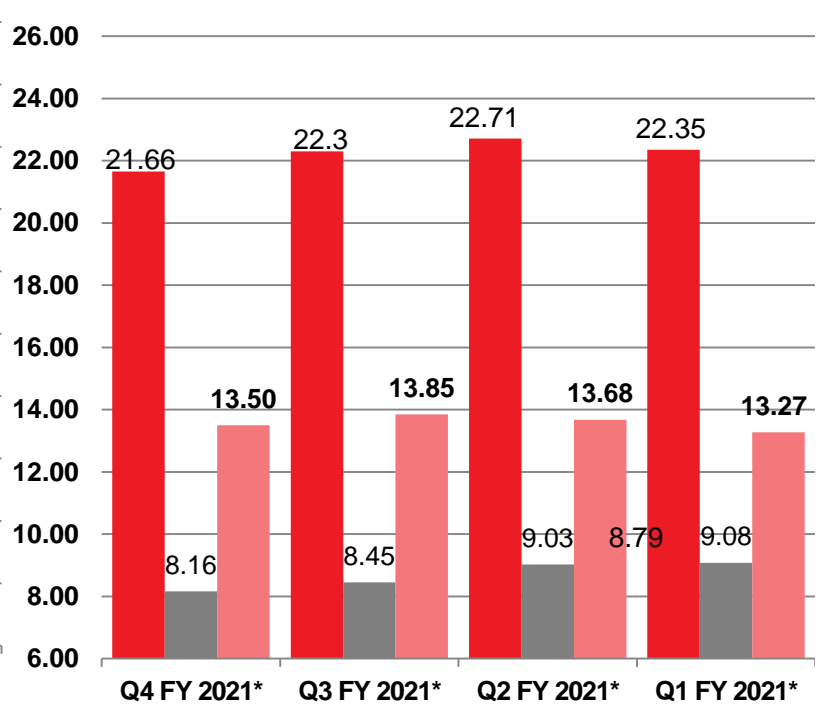
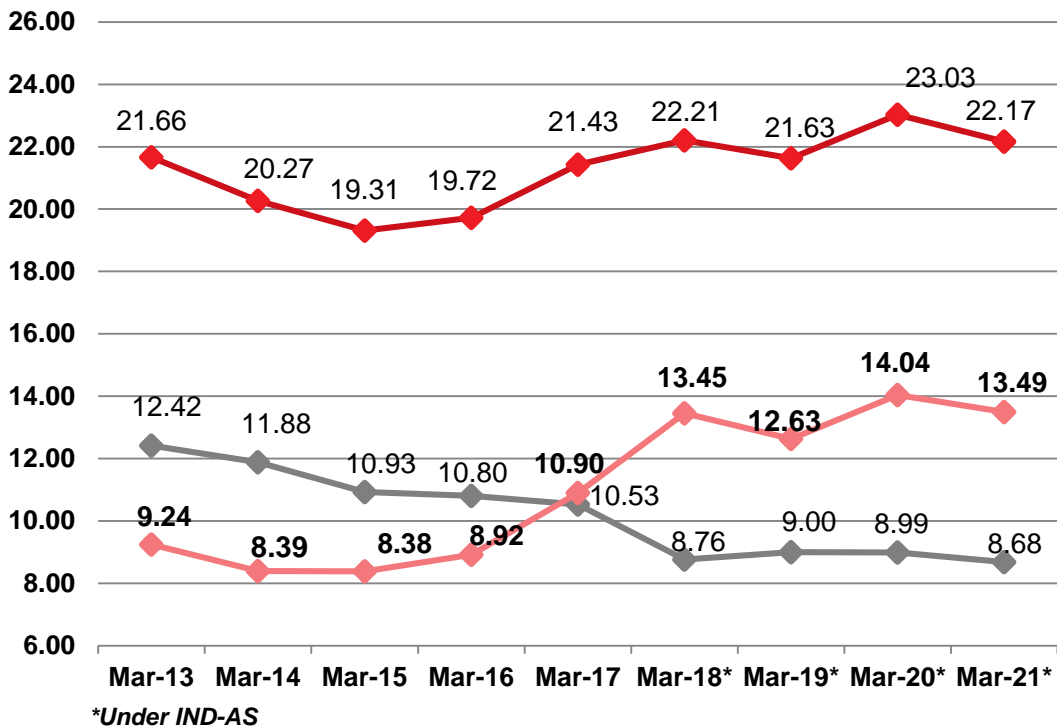
*Under IND -AS

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



INTEREST SPREAD

Yearly (%)	Quarterly (%)
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- Interest Income on Average Loan Assets
- Interest Expenses on Average Outside Liabilities
- Interest Spread

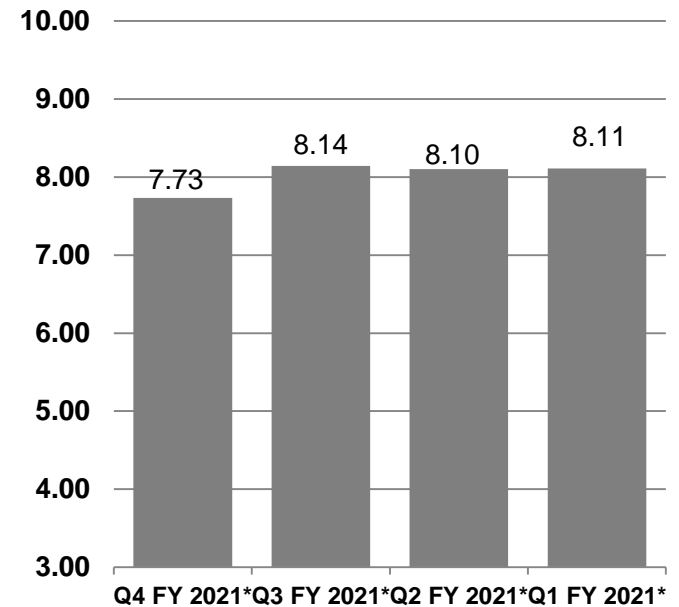
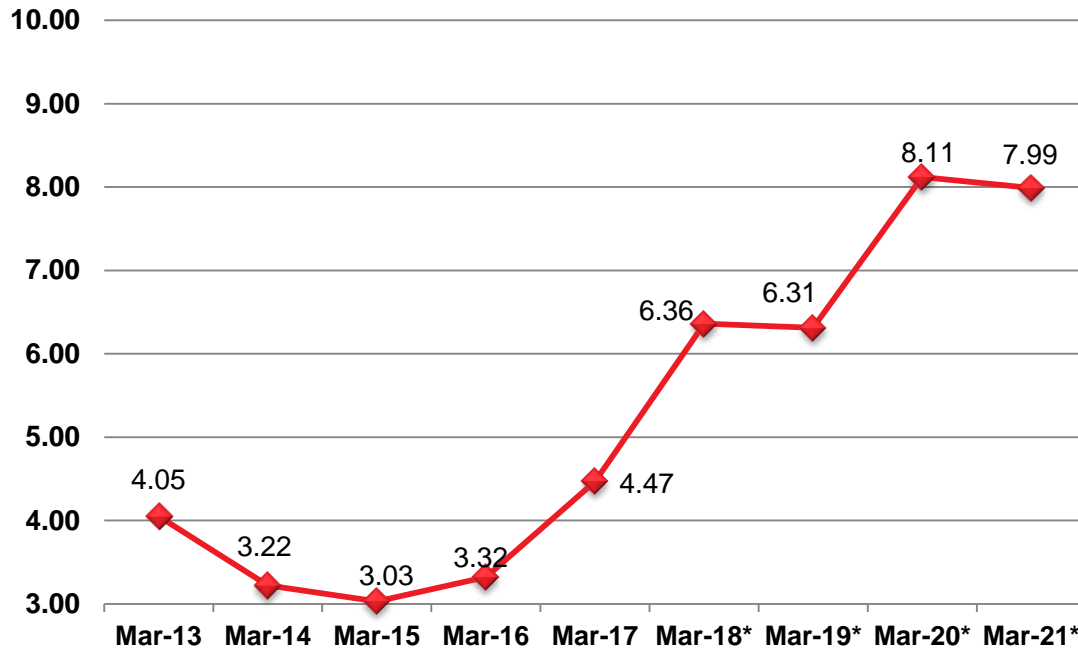


RETURN ON AVERAGE LOAN ASSETS

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)

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20
Stage III Loan Assets	4,641	6,568	5,920	10,553	8,992
% Stage III Assets on Gross Loan Assets	0.88	1.30	1.26	2.56	2.16
ECL Provision on Gross Loan Assets	6,257	6,208	5,636	5,538	5,427
ECL Provision as % of Gross Loan Assets	1.19	1.23	1.20	1.34	1.30
Excess Provision outstanding in books	2,954	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

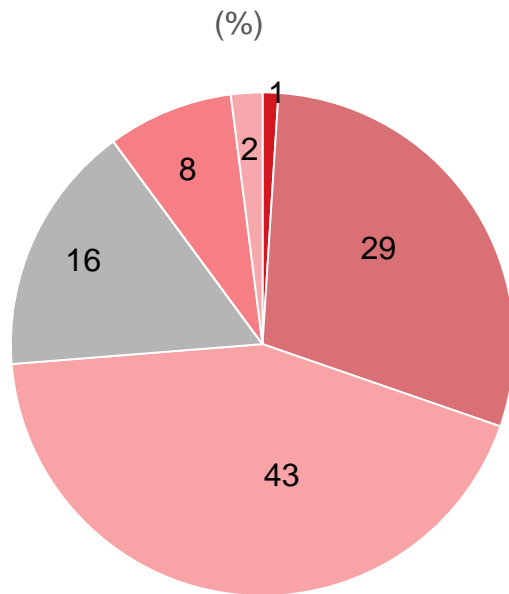
EAD-Exposure at Default

Bad Debts

(₹ in millions)

	FY 2021	FY 2020	Q4 FY 2021	Q3 FY 2021	Q2 FY 2021	Q1 FY 2021
Bad Debts Written Off	118	599	53	27	10	28
% of Bad Debts written off to Gross Loan Assets	0.02	0.14	0.01	0.005	0.002	0.01

Maintaining a diversified funding profile*



- Secured Non-Convertible Debentures (Muthoot Gold Bonds) – ₹ 2,635 mn (1%)
- Secured Non-Convertible Debentures – Listed – ₹135,656 mn (29%)
- Borrowings from Banks/Fis - ₹ 198,331 mn (43%)
- External Commercial Borrowings- Senior secured Notes – ₹ 73,111 mn (16%)
- Subordinated Debt – ₹ 0 mn (0%)
- Subordinated Debt – Listed - ₹ 2,106 mn (0%)
- Commercial Paper – ₹ 38,540 mn (8%)
- Other Loans – ₹ 9,817 mn (2%)

*Principal amount of Borrowings

(As of March 31, 2021)



DOMESTIC CREDIT RATINGS

Highest Rating among gold loan companies

Short-term Rating

	Rating	Indicates
COMMERCIAL PAPER		
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
BANK LOANS		
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
SUBORDINATED DEBT		
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
NON CONVERTIBLE DEBENTURE		
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
BANK LOANS		
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

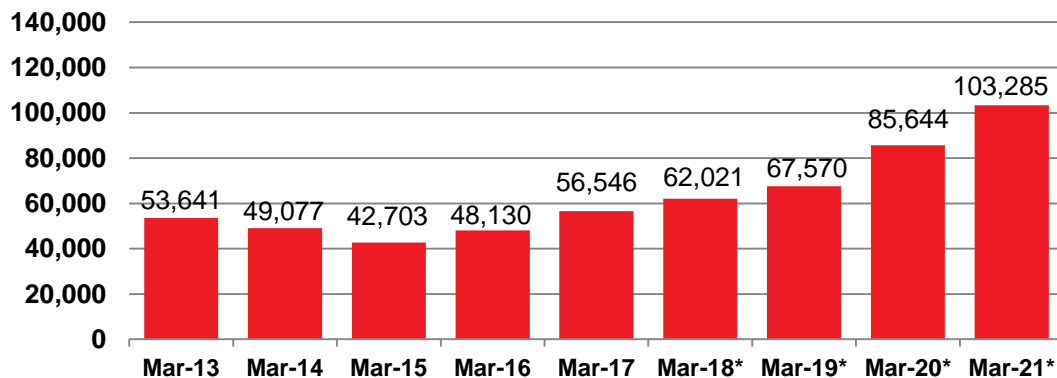


BREAK-UP OF TOTAL INCOME

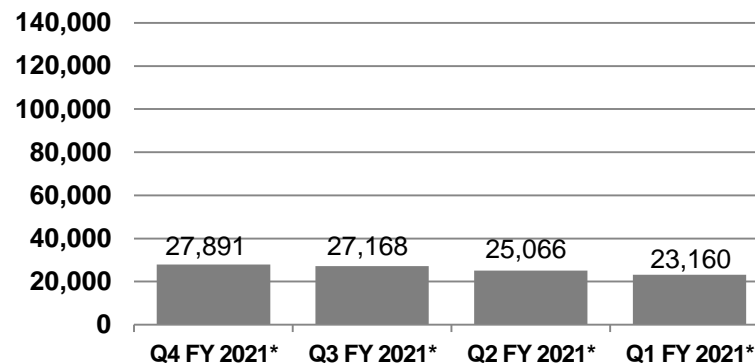
Interest Income

(₹ in millions)

Yearly



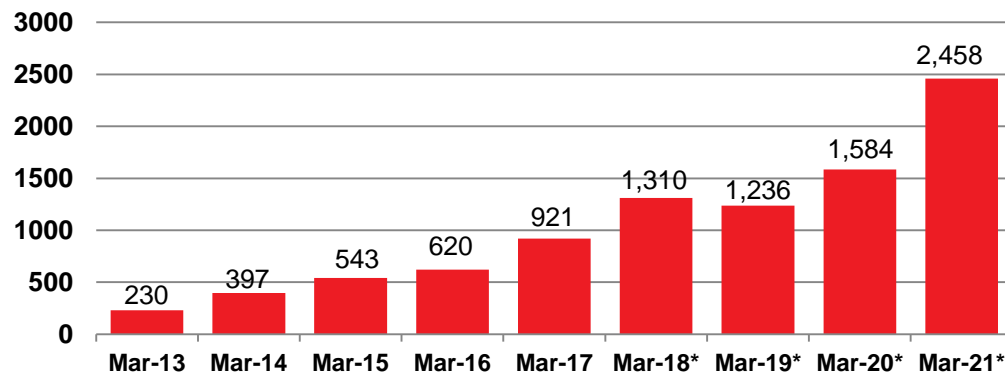
Quarterly



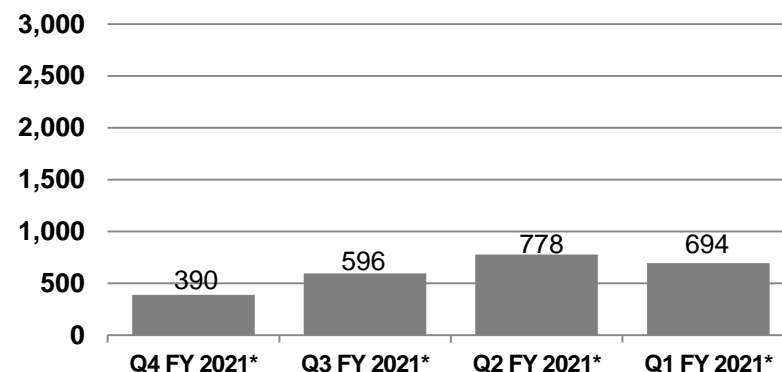
Other Than Interest Income

(₹ in millions)

Yearly



Quarterly



*Under IND-AS

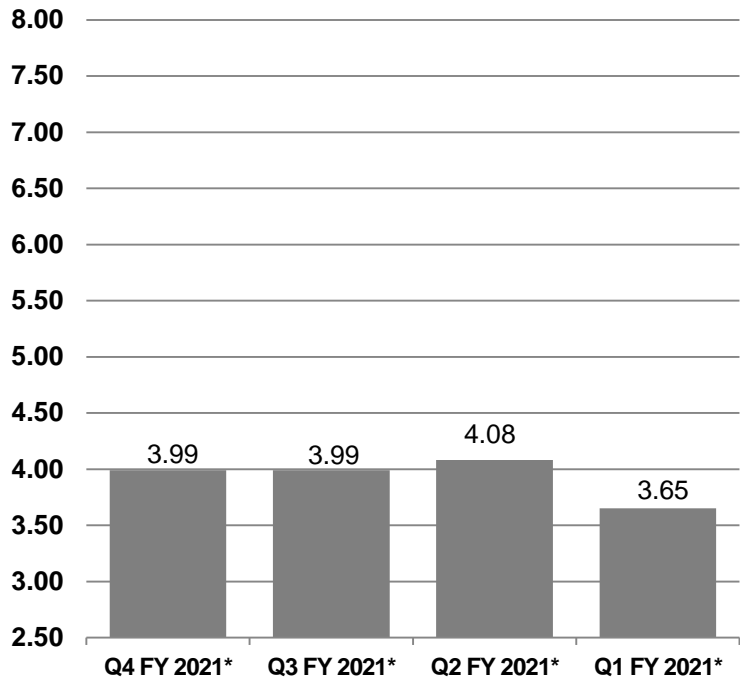
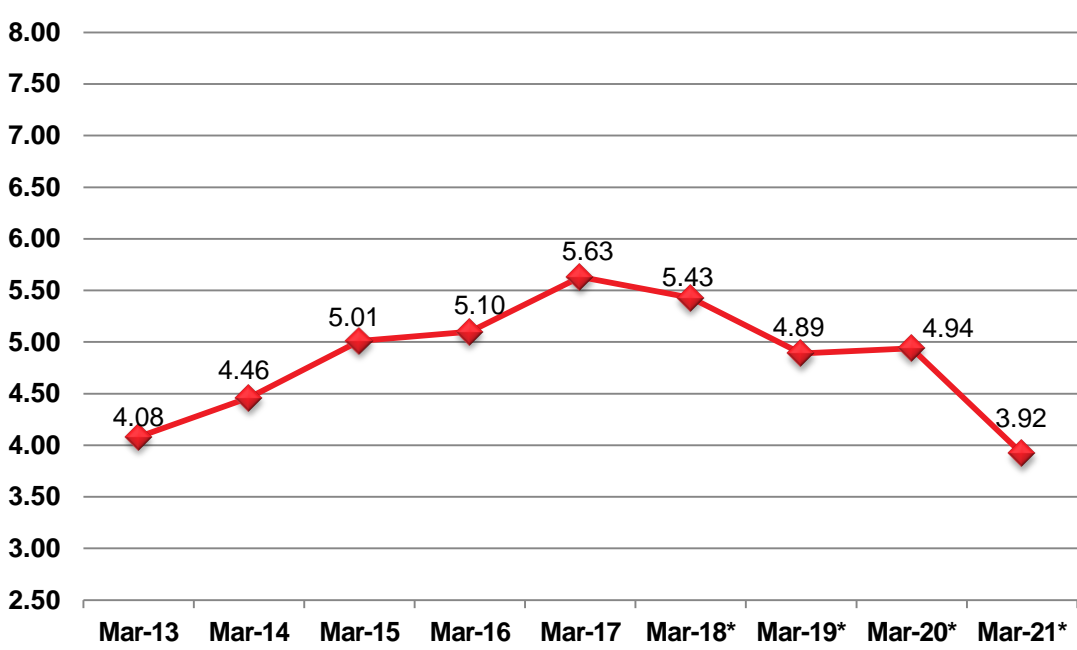


OPERATING EXPENSES TO AVERAGE LOAN ASSETS

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	Q4 FY 2021*	Q3 FY 2021*	Q2 FY 2021*	Q1 FY 2021*
Employee Benefit Expenses	9,270	9,657	8,415	7,393	7,280	6,418	6,304	5,917	5,453	2,210	2,329	2,450	2,282
Rent	2,189	2,158	1,974	1,913	1,808	1,713	1,650	1,542	1,309	607	560	592	429
Advertisement & Publicity	1,190	1,163	1,056	720	531	626	651	702	579	380	264	404	142
Communication Costs	387	355	368	404	372	378	371	364	243	99	113	101	75
Traveling and Conveyance	210	273	240	182	186	187	212	190	175	71	58	49	32
Printing and Stationery	151	177	153	136	129	144	160	185	168	39	49	40	22
Repairs and Maintenance	276	283	280	304	362	290	281	272	256	58	84	76	58
Legal and Professional Charges	387	260	203	154	124	93	189	216	86	72	127	67	122
Business Promotion Expenses	369	720	481	209	201	149	140	279	332	84	41	129	115
Directors Remuneration	793	633	561	431	362	196	192	192	192	551	81	80	80
Depreciation and Amortisation Expenses	507	431	421	439	482	575	841	475	454	154	140	114	99
Others	2,075	1,677	1,260	2,970	835	1,014	733	731	550	836	562	395	282
Provision For Standard & NPA Assets	-	-	-	-	2,647	1,223	180	214	765	-	-	-	-
Impairment on Financial Instruments	950	957	259	316	-	-	-	-	-	111	585	107	146
Total	18,754	18,744	15,670	15,571	15,319	13,006	11,904	11,279	10,562	5,272	4,994	4,604	3,884

*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	Q4 FY 2021*	Q3 FY 2021*	Q2 FY 2021*	Q1 FY 2021*	
Employee Benefit Expenses	49	52	54	47	48	49	53	52	52	42	47	53	59	
Rent	12	12	13	12	12	13	14	14	12	12	11	13	11	
Advertisement & Publicity	6	6	7	5	3	5	5	6	5	7	5	9	4	
Communication Costs	2	2	2	3	2	3	3	3	2	2	2	2	2	
Traveling and Conveyance	1	1	2	1	1	1	2	2	2	1	1	1	1	
Printing and Stationery	1	1	1	1	1	1	1	2	2	1	1	1	1	
Repairs and Maintenance	1	2	2	2	2	2	2	2	2	1	2	2	1	
Legal and Professional Charges	2	1	1	1	1	1	2	2	1	1	3	1	3	
Business Promotion Expenses	2	4	3	1	1	1	1	2	3	2	1	3	3	
Directors Remuneration	4	3	4	3	2	2	2	2	2	10	2	2	2	
Depreciation and Amortisation Expenses	3	2	3	3	3	4	7	4	4	3	3	2	3	
Others	12	9	8	19	5	8	6	6	5	16	11	9	7	
Provision For Standard & NPA Assets	-	-	-	-	17	9	2	2	7	-	-	-	-	
Impairment on Financial instruments	5	5	2	2	-	-	-	-	-	2	12	2	4	
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	

*Under IND-AS



PROFITABILITY RATIOS

Yearly	Yearly (%)									Quarterly (%)			
	Mar-21*	Mar-20*	Mar-19*	Mar-18*	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Q4 FY 2021*	Q3 FY 2021*	Q2 FY 2021*	Q1 FY 2021*
(Based on Income)													
Interest expense to Gross Income	34.92	32.00	32.51	30.50	39.92	46.31	48.71	53.08	52.34	33.64	34.06	35.76	36.53
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	26.67	23.32	26.40	24.04
Provisions & Write Offs to Net Income	1.38	1.61	0.59	5.44	8.16	6.20	1.67	1.89	3.49	0.59	3.20	0.64	0.96
Operational expenses to Net Income	26.51	30.87	32.84	34.38	43.03	47.56	49.93	46.55	39.37	27.27	26.51	27.04	25.00
OPBDT / Net Income	73.49	69.13	67.16	65.62	56.97	52.44	50.06	53.45	60.62	72.73	73.49	72.96	75.00
Depreciation to Net Income	0.74	0.73	0.90	1.00	1.33	2.13	3.72	2.03	1.76	0.82	0.77	0.69	0.65
OPBT / Net Income	72.75	68.40	66.26	64.63	55.63	50.31	46.34	51.42	58.86	71.91	72.72	72.27	74.34
PBT / Net Income	72.75	68.40	66.26	64.63	55.63	50.31	46.34	51.42	58.86	71.91	72.72	72.27	74.34
PAT / Net Income	54.09	50.88	42.47	40.38	34.17	30.93	30.23	33.60	39.11	53.05	54.15	53.86	55.54

*Under IND-AS



PROFITABILITY RATIOS

Yearly (Based on Average Loan Assets)	Yearly (%)										Quarterly (%)			
	Mar-21*	Mar-20*	Mar-19*	Mar-18*	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Q4 FY 2021*	Q3 FY 2021*	Q2 FY 2021*	Q1 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	21.66	22.31	22.71	22.35	
Interest expense to avg. loan assets	7.93	7.51	7.16	6.92	8.69	9.25	9.52	10.84	11.38	7.39	7.77	8.37	8.41	
Net Interest Margin	14.24	15.52	14.47	15.29	12.74	10.47	9.78	9.42	10.27	14.27	14.54	14.34	13.94	
Other income to avg. loan assets	0.53	0.43	0.40	0.47	0.35	0.25	0.25	0.16	0.09	0.30	0.49	0.71	0.67	
Net Income Including Other Income	14.77	15.95	14.87	15.76	13.09	10.72	10.03	9.59	10.37	14.58	15.03	15.04	14.61	
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	3.90	3.51	3.98	3.51	
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	0.09	0.48	0.10	0.14	
PBDT to avg. loan assets	10.85	11.01	9.98	10.33	7.45	5.62	5.02	5.12	6.28	10.59	11.04	10.96	10.96	
Depreciation to avg. loan assets	0.10	0.11	0.12	0.15	0.17	0.23	0.37	0.20	0.18	0.11	0.11	0.09	0.10	
PBT to avg. loan assets	10.75	10.90	9.85	10.19	7.28	5.39	4.65	4.93	6.10	10.48	10.93	10.87	10.86	
Tax to avg. loan assets	2.76	2.79	3.54	3.82	2.81	2.08	1.62	1.71	2.05	2.75	2.79	2.77	2.75	
PAT to avg. loan assets	7.99	8.11	6.31	6.36	4.47	3.32	3.03	3.22	4.05	7.73	8.14	8.10	8.11	
Cash Profit to avg. loan assets	8.09	8.22	6.44	6.51	4.65	3.54	3.40	3.42	4.24	7.84	8.25	8.19	8.21	

*Under IND-AS



PROFITABILITY

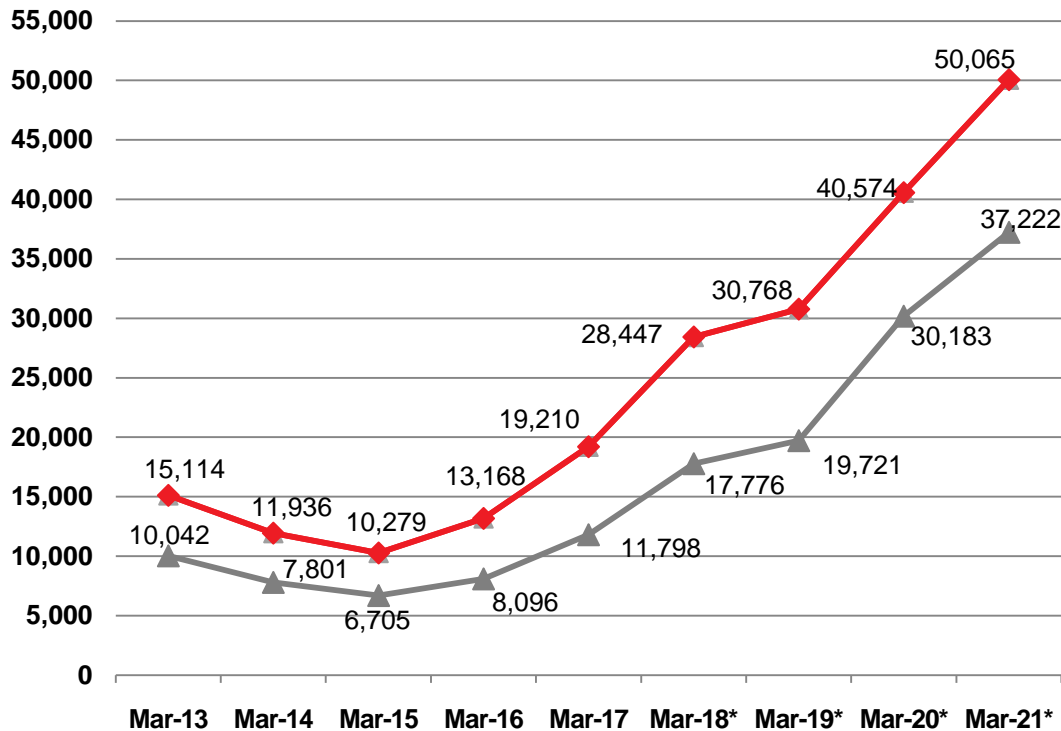
Efforts getting rewarded

Profitability at a glance

(₹ in millions)

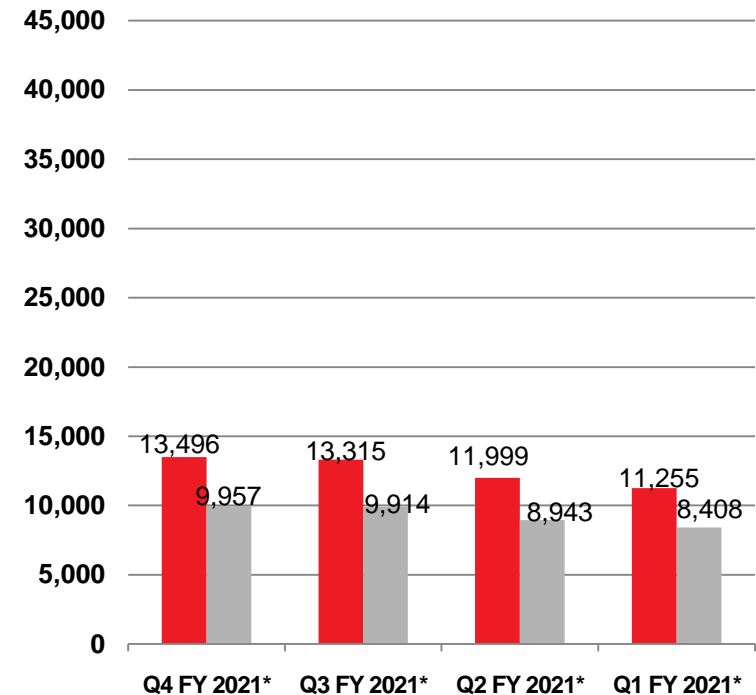
Yearly

◆ PBT ▲ PAT



Quarterly

■ PBT ■ PAT

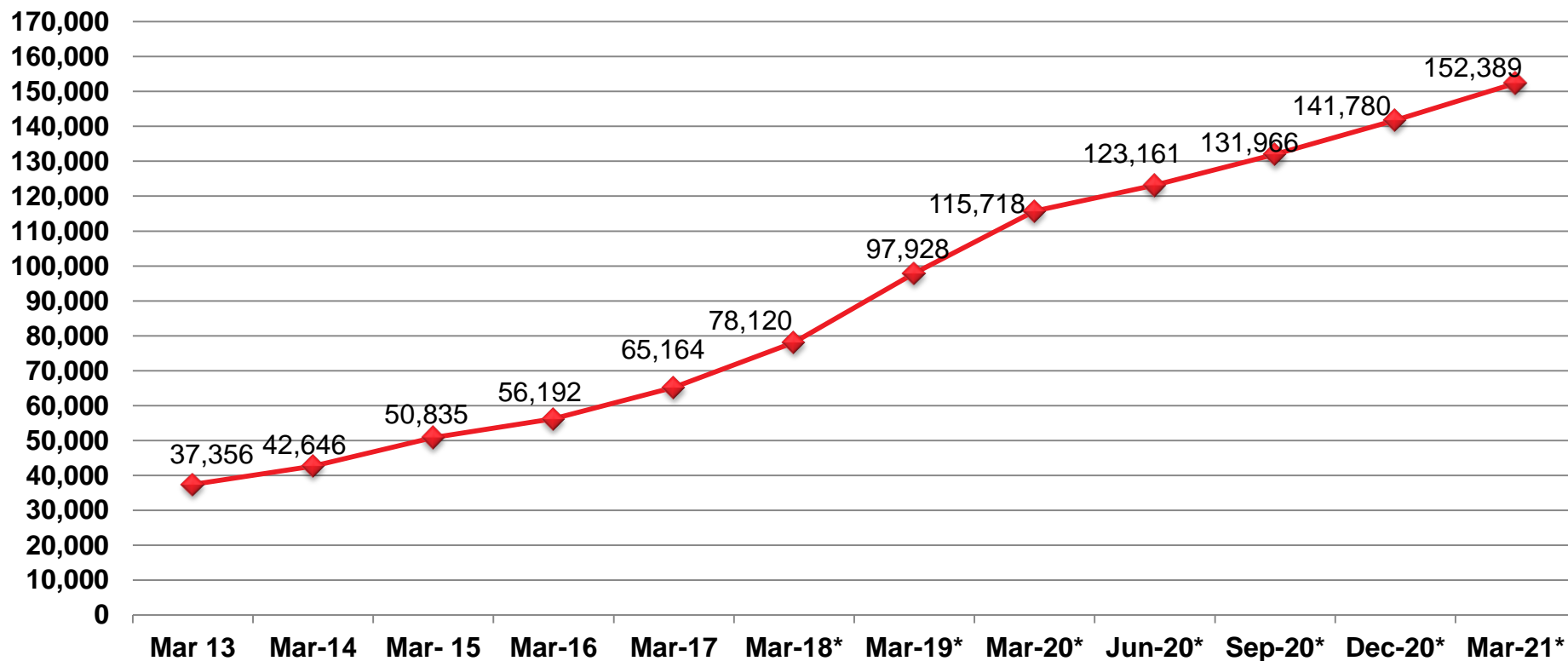


*Under IND-AS

Steady capital position

Share Capital and Reserves & Surplus

(₹ in millions)



*Under IND-AS



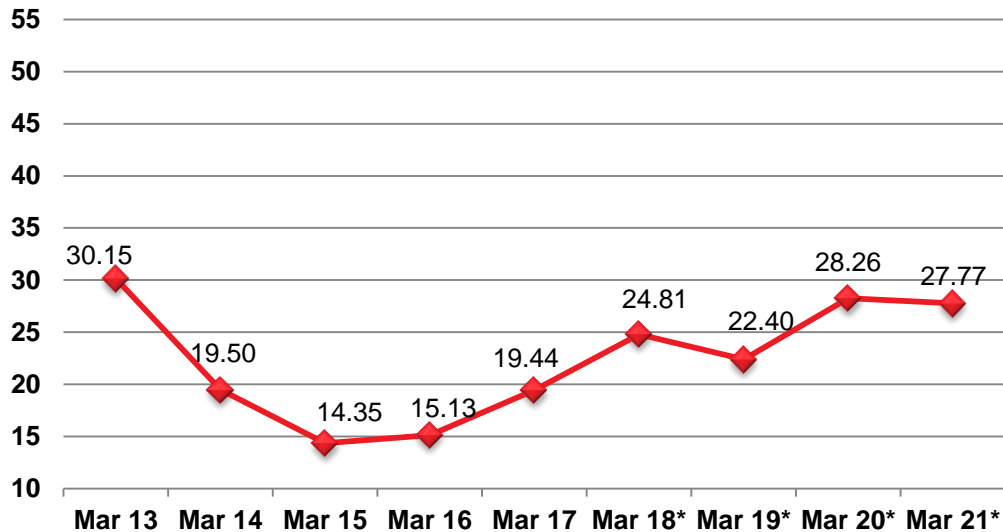
RETURN ON EQUITY

Stable shareholder value creation

Return on Average Equity

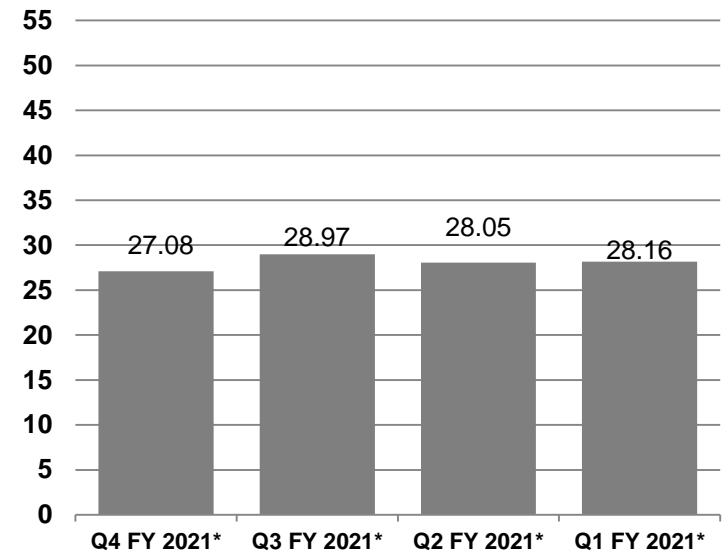
Yearly

(%)



Quarterly

(%)



*Under IND-AS

Maintaining capital well above the statutory requirement

Capital Adequacy Ratio

(%)

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20
Capital Adequacy Ratio	27.44	26.38	25.73	26.30	25.47
Tier-I	26.36	25.28	24.62	25.20	24.30
Tier-II	1.08	1.10	1.11	1.10	1.17



MARKET VALUE RATIO

Equity market valuation ratios indicate potential for upside

	FY 2021	FY 2020	Q4 FY 2021	Q3 FY 2021	Q2 FY 2021	Q1 FY 2021
Earnings per share (₹)						
- Basic	92.79	75.31	24.81	24.72	22.30	20.96
- Diluted	92.71	75.21	24.80	24.69	22.28	20.94

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20
Book Value per share (₹)	379.70	353.28	328.82	306.99	288.43
Market price per share (₹)**	1,205.9	1,210.55	1,132.10	1,086.05	613.15
Price to Earnings ratio***	13.00	13.71	13.49	13.08	8.14
Price to Book Value ratio	3.18	3.43	3.44	3.54	2.13

**Source: www.nseindia.com

***Based on trailing 12 months EPS



CAPITALISATION RATIOS

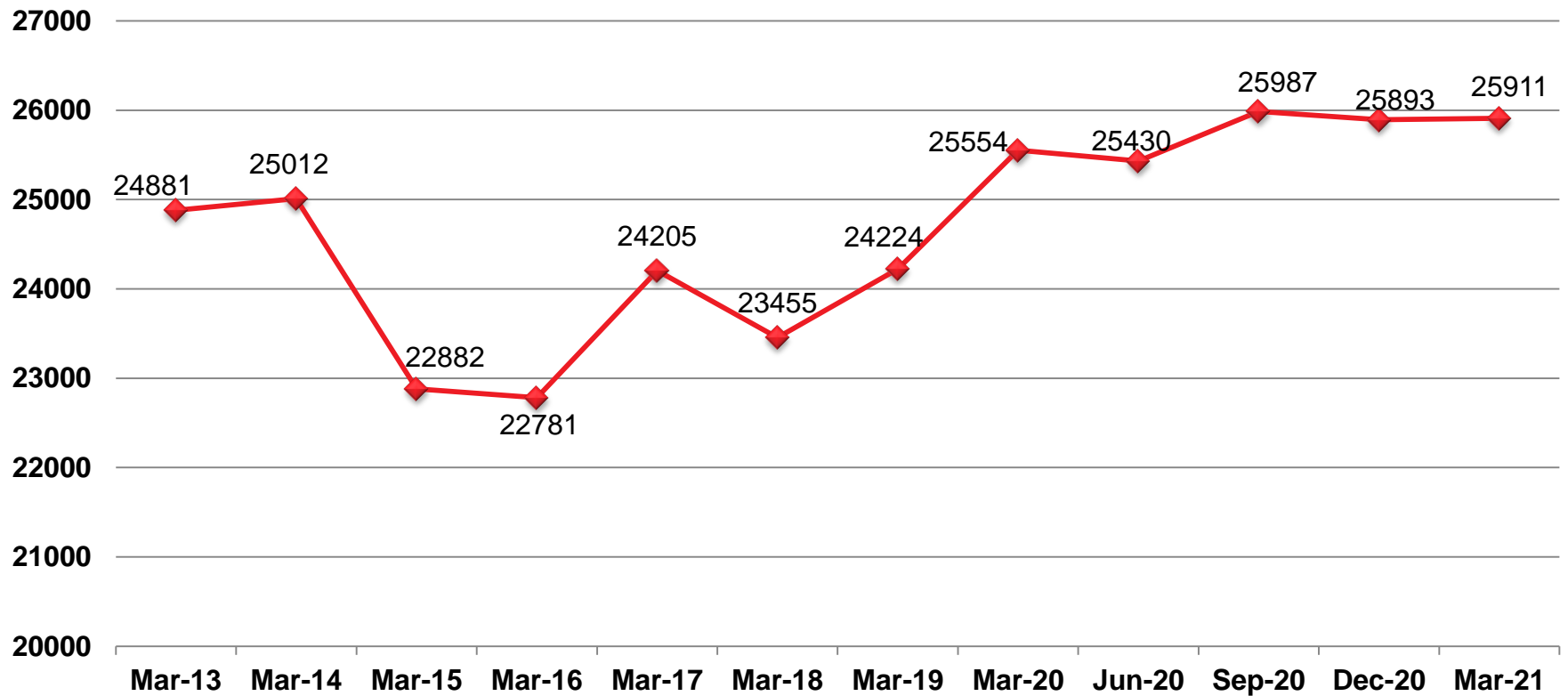
Headroom for further leveraging

(₹ In millions)

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20
Outside Liabilities	482,260	485,252	440,401	404,561	388,878
Cash & Bank Balances & Investment in MF liquid Funds	71,308	95,502	79,465	84,769	59,253
Tangible Network	152,335	141,731	131,914	123,113	115,668
Capital Gearing	2.70	2.75	2.74	2.60	2.85

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 March 31, 2021, total holding in AAF stood at 91 million equity shares representing 72.92% of their total capital. The loan portfolio stands at LKR 14,002 million as on March 31, 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.

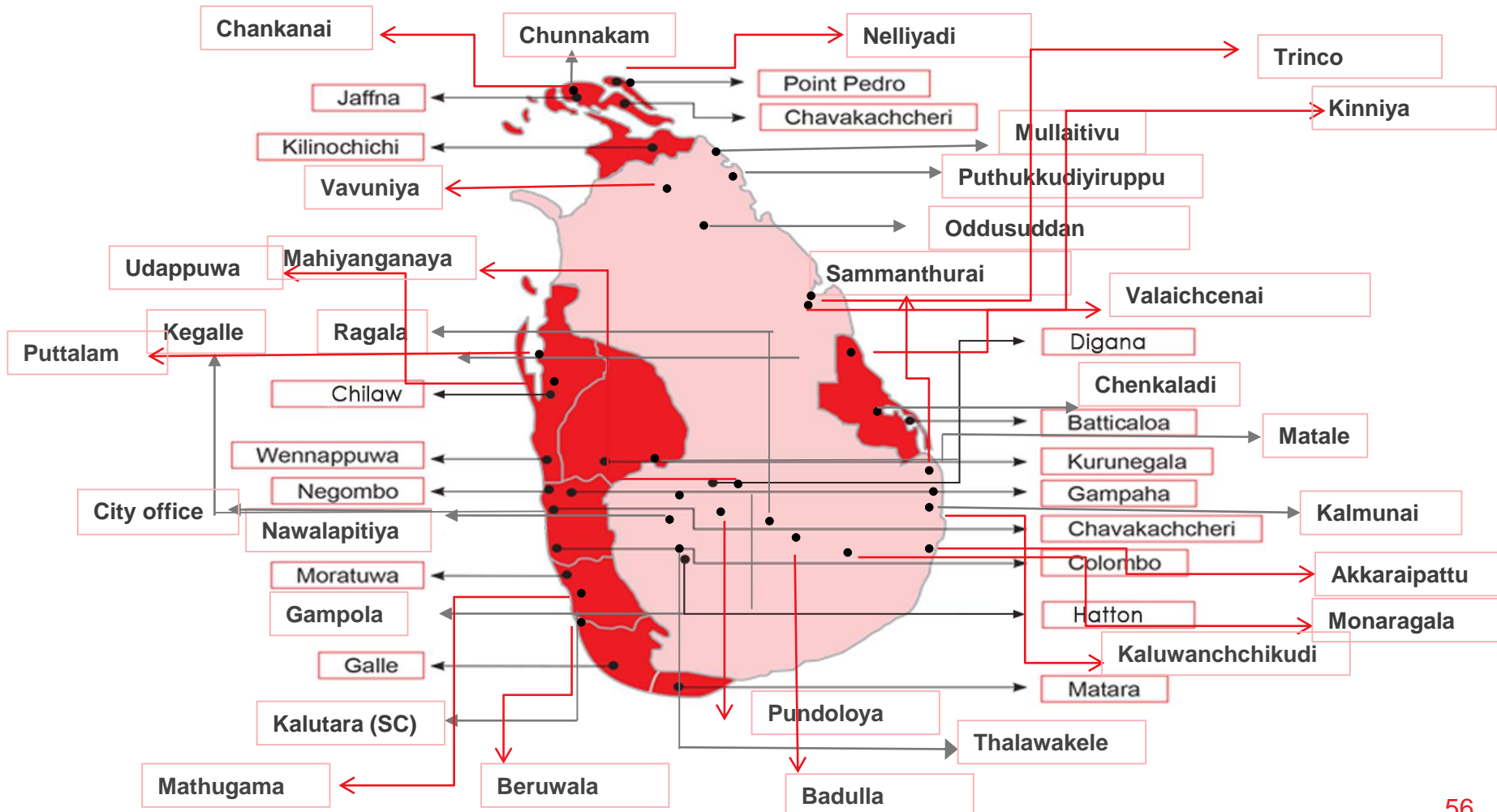
PRODUCTS



- 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	FY 2021	FY 2020
INR/LKR	0.3677855	0.388758
Number of branches	48	29
Number of Employees	427	495
Gross Loan AUM (LKR)	14,002	13,839
Capital Adequacy Ratio (%)	17	17
Total Revenue (LKR)	2,952	3,332
Total Expense (LKR)	2,865	3,239
Profit Before Tax (LKR)	87	93
Profit After Tax (LKR)	45	70
Shareholders Funds (LKR)	2,222	2,172
Total Outside Liabilities (LKR)	13,128	12,983
Total Assets (LKR)	15,350	15,155

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 March 31, 2021, it has a loan portfolio of Rs.17,042 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.

**Muthoot Homefin****Muthoot Finance**

Business Performance

(₹ in millions)

Particulars	FY 2021	FY 2020
Number of branches	108	107
Number of Sales Offices	108	107
Number of Employees	301	412
Gross Loan AUM (₹)	17,042	19,769
Capital Adequacy Ratio (%)	50	51
Total Revenue (₹)	2,409	2,876
Total Expense (₹)	2,240	2,452
Profit Before Tax (₹)	169	424
Profit After Tax (₹)	126	318
Shareholders Funds (₹)	4,387	4,260
Total Outside Liabilities (₹)	12,397	14,590
Total Assets (₹)	16,784	18,850

**Muthoot Homefin****Muthoot Finance**

Business Performance

(₹ in millions)

Particulars	FY 2021	FY 2020
Disbursement (₹)	1,010	4,127
Borrowings (₹)	11,846	14,185
Debt Equity Ratio (%)	2.7	3.33
Yield on Advances (%)	12.51	11.77
Interest Spread (%)	3.41	2.29
NIM (%)	5.13	4.40
Cost to Income Ratio (%)	42.16	36.06
Return on Assets (ROA) (%)	0.75	1.65
Return on Equity (ROE) (%)	2.92	7.75
Stage III Loan Assets	681	338
% Stage III assets on Gross Loan Assets (AUM)	4.00	1.71
Stage III ECL Provision	207	111
ECL Provision	261	179
ECL Provision as a % of Gross Loan Assets (AUM)	1.53	0.91
Number of Customers	22,765	24,390



Financial Highlights

- Disbursements in FY 2021: Rs 1,010 mn. AUM as on Mar 31, 2021: Rs. 17,042 mn, Loan Book as on Mar 31, 2021: Rs 14,040 mn.
- Average Ticket Size in FY 2021: Rs. 0.95 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 FY 2021: 0.75%, ROE for FY 2021: 2.92%
- Average cost of borrowings of 9.10% for FY 2021. Capital Adequacy Ratio: 49.94%, Debt Equity Ratio: 2.70
- Average Yield: 12.51%, Interest Spread: 3.41%
- Received PMAY subsidy of INR 1,103 mn for 5746 cases in FY 2021.

Growth Drivers

- Increasing the leverage from 2.70x 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 2.70 times as on Mar 31, 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 Q4 FY21, it has insured more than 12,10,500 lives with a First year premium collection of Rs.1000 million under Traditional ,Term and Health products..

During Q4 FY20, it has insured more than 783,500 lives with a First year premium collection of Rs.660 million under Traditional ,Term and Health products..

**Key Business Parameters**

(₹ in millions)

Particulars	FY 2021	FY 2020
Premium Collection (₹)	4,055	3,232
Number of Policies	32,23,737	28,06,336

Key Financial Parameters

(₹ in millions)

Particulars	FY 2021	FY 2020
Total Revenue (₹)	467	237
Total Expense (₹)	43	97
Profit Before Tax (₹)	424	141
Profit After Tax (₹)	316	104
Shareholders Funds (₹)	847	531
Earnings per share (₹)	422	139

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 March 31, 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 649 branches, with 170 controlling regional offices and employs 4562 staffs. Its gross loan portfolio has grown from INR 0.20 mn in March 2009 to INR 32,999 mn in March 2021



Key Financial Parameters

(₹ in millions)

Particulars	FY 2021	FY 2020
Number of Branches	649	603
Number of Employees	4,562	4,425
Gross Loan AUM (₹)	32,999	26,310
Capital Adequacy Ratio (%)	22	26
Total Revenue (₹)	5,532	5,007
Total Expense (₹)	4,962	3,675
Profit Before Tax (₹)	570	1,332
Profit After Tax (₹)	467	990
Stage III Loan Assets	783	240
% Stage III assets on Gross Loan Assets (AUM)	2.37	0.91
Stage III ECL Provision	618	216
ECL Provision	980	369
ECL Provision as a % of Gross Loan Assets (AUM)	2.97	1.40
Shareholders Funds (₹)	5,417	4,978
Total Outside Liabilities (₹)	29,256	20,210
Total Assets (₹)	34,673	25,188

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.

As on 31st March, 2021 it has a total loan portfolio of Rs.3,668 million.

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



Key Financial Parameters

(₹ in millions)

Particulars	FY 2021	FY 2020
Number of branches	14	24
Number of Employees	188	304
Gross Loan AUM (₹)	3,668	5,090
Capital Adequacy Ratio(%)	29	20
Total Revenue (₹)	697	704
Total Expense (₹)	656	665
Profit Before Tax (₹)	41	39
Profit After Tax (₹)	37	27
Stage III Loan Assets	314	249
% Stage III assets on Gross Loan Assets (AUM)	8.56	4.89
Stage III ECL Provision	129	65
ECL Provision	172	143
ECL Provision as a % of Gross Loan Assets (AUM)	4.69	2.81
Shareholders Funds (₹)	1,099	1,062
Total Outside Liabilities (₹)	2,789	4,323
Total Assets (₹)	3,888	5,385

OTHER SUBSIDIARIES

MUTHOOT ASSET MANAGEMENT PRIVATE LIMITED

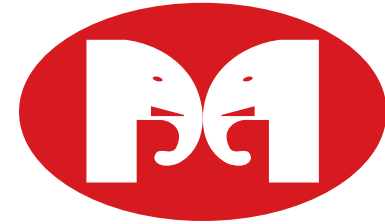
(₹ In millions)

	FY 2021	FY 2020
Networth	1,072	1,053

MUTHOOT TRUSTEE PRIVATE LIMITED

(₹ In millions)

	FY 2021	FY 2020
Networth	10	10



Muthoot Finance

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