

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

Ref: SEC/MFL/SE/2018/2841

May 16, 2018

National Stock Exchange of India Ltd.

Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051

BSE Limited

Department of Corporate Services
P. J. Tower, Dalal Street,
Mumbai 400 001

Dear Sir/Madam,

Re: Press release on Audited Financial Results (standalone and consolidated) for the Quarter and Financial year ended March 31, 2018

The Board of Directors at their meeting held on May 16, 2018 has announced audited financial results (standalone and consolidated) for the Quarter and Financial year ended March 31, 2018.

We herewith enclose a copy of Press Release proposed to be made in the leading newspapers across the country.

This is for your kind information and record thereon.

For **Muthoot Finance Limited**



Maxin James
Company Secretary

Kochi, May 16, 2018:

Muthoot Finance Group* Loan Assets Under Management reaches landmark Level of Rs.32154 crs and highest consolidated profit for the year of Rs.1784 crs

Standalone & Consolidated Financial Results of Muthoot Finance Ltd

Muthoot Finance Ltd consolidated Gross Loan Assets under management of the Group* achieved a YoY increase of 12% at Rs.32154crs as against last year of Rs. 28660crs.

	FY18	FY 17	YoY (%)
Consolidated Gross Loan Assets of the Group* (Rs. In crores)	32154	28660	12%
Contribution of Subsidiaries in the Consolidated Gross Loan Assets of the Group*	10%	5%	-
Consolidated Profit of the Group*(after adjustment for Minority Interest) (Rs. In crores)	1784	1200	49%
Group* Branch Network	4596	4488	2%

**Muthoot Finance Ltd and its subsidiaries .*

Muthoot Finance Ltd (MFIN), the largest gold financing company in India in terms of loan portfolio, registered an increase in net profit of 46%, at Rs. 1720crs for FY18 as against Rs. 1180crs in the previous year. Loan Assets stood at Rs. 29138crs as at March 31, 2018 as against Rs.27278crs as at March 31, 2017, Y-o-Y growth of 7%. Income Tax paid during the year to ex-chequer is at a historic high of Rs.1037crs contributing to nation building.

Muthoot Homefin (India) Ltd (MHIL), the wholly owned subsidiary, increased its loan portfolio by Rs. 1024crs at Rs. 1465crs during the year. Total revenue for FY18 stood at Rs. 126crs as against previous year total revenue of Rs.24cr. It achieved a net profit of Rs.28crs in FY18 as against previous year profit of Rs.3crs.

M/s. Belstar Investment and Finance Private Limited (BIFPL), an RBI registered micro finance NBFC and Subsidiary Company where Muthoot Finance holds 66.61% stake, grew its loan portfolio during FY18 by 97% reaching Rs. 1137crs. It achieved a profit after tax of Rs.34crs during FY18 as against previous year profit after tax of Rs.10crs. Its Gross and Net NPA stood at 0.76% and 0.30% as on March 31, 2018.

Muthoot Insurance Brokers Pvt Limited (MIBPL), an IRDA registered Direct Broker in insurance products and a wholly owned subsidiary company generated a First year premium collection amounting to Rs. 101crs during FY18 as against Rs. 70crs in the previous year. It generated a Profit after Tax of Rs.11crs during FY18 as against Rs.6crs in the previous year.

The Sri Lankan subsidiary - **Asia Asset Finance PLC. (AAF)** where Muthoot Finance holds 60% stake, increased its loan portfolio during the year by 13% at LKR 995crs. Total revenue for FY18 stood at LKR 256crs as against previous year



total revenue of LKR 213crs . It generated a profit after tax of LKR 20crs during FY18 as against previous year profit after tax of LKR 28crs .

Commenting on the results **M G George Muthoot, Chairman stated**, "A historic record performance with 49% increase in Consolidated profit for the year at Rs.1784crs. While the thrust on increasing the gold loan business continues , Group's focus on diversification of lending portfolio has started yielding results. The consolidated loan book of the Group has increased by 12% Y-o-Y at Rs.32154crs .We are proud to announce that we are one of the Top 50 Corporate income tax payers in the country paying Rs.1037crs during FY 18."

Speaking on the occasion **George Alexander Muthoot, Managing Director said**, "Our subsidiaries are contributing 10% of Group assets and have again shown an excellent performance during the year. We are expecting this contribution to increase to 15% of Group's assets in the coming year. Muthoot Homefin (India) Limited has grown its loan portfolio by Rs.1024crs during the year reaching Rs.1465crs. The micro finance subsidiary which has a strong SHG model increased its loan portfolio by 97% during the year reaching Rs.1137crs. The NBFC in Sri Lanka increased its loan portfolio by 13% during the year. First Year Premium collections in the Insurance Broking subsidiary increased by 44% at Rs.101crs. As regards Muthoot Finance ,though primary NPA portfolio declined , on account of secondary NPA which is nothing but standard loans of a borrower whose any other loan account is a primary NPA , overall NPA % has increased. Further , a higher primary NPA is mainly on account of more time given to customers for repayment on our shorter tenor loans of 6months which became NPA faster than our conventional loan tenor of 12months . Company is currently maintaining increased standard asset provision of 1.25% higher than the regulatory requirement of 0.40%."

Financial Highlights(MFIN) :

	FY18	FY17	YoY %	Q4 FY18	Q3 FY18	Q2 FY18	Q1 FY18
	(Rs.in Crs)	(Rs.in Crs)	Change	(Rs.in Crs)	(Rs.in Crs)	(Rs.in Crs)	(Rs.in Crs)
Total Income	6243	5747	9%	1608	1567	1670	1399
Profit Before Tax	2757	1921	44%	732	720	753	552
Profit After Tax	1720	1180	46%	451	464	454	351
Earnings Per Share (Basic) Rs.	43.04	29.56	46%	11.28	11.61	11.36	8.79
Loan Assets	29138	27278	7%	29138	28265	27608	27852
Branches	4325	4307	-	4325	4303	4287	4285



	FY18	FY17	Q4 FY18	Q3 FY18	Q2 FY18	Q1 FY18
Return on Average Loan assets	6.16%	4.47%	6.32%	6.64%	6.54%	5.12%
Return on Average Equity	24.10%	19.44%	23.22%	24.54%	25.60%	20.98%
Book Value Per Share (Rs.)	193.79	162.98	193.79	194.59	183.16	171.76

	FY18	FY17	Q4 FY18	Q3 FY18	Q2 FY18	Q1 FY18
Capital Adequacy Ratio	26.59%	24.88%	26.59%	27.65%	26.49%	25.61%
Share Capital & Reserves (Rs. in Crs)	7760	6516	7760	7790	7324	6868

Business Highlights(MFIN):

Particular	FY 18	FY 17	Growth (YoY)
Branch Network	4325	4307	0%
Gold Loan Outstanding (Rs. in Cr)	28848	27220	6%
Credit Losses (Rs. in Cr)	31.64	16.54	91%
% of Credit Losses on Gross Loan Asset Under Management	0.11%	0.06%	80%
Average Gold Loan per Branch(Rs. In Cr)	6.67	6.32	6%
No. of Loan Accounts (in lakh)	75	73	3%
Total Weight of Gold Jewellery pledged (in tonnes)	155	149	4%
Average Loan Ticket Size	37994	37186	2%
No. of employees	23455	24205	-3%



Branding Initiatives:

The Muthoot Groups association with IPL 2018

The Muthoot Group has become the main team sponsors of Chennai Super Kings (CSK) for the Indian Premiere League (IPL) 2018.

As a part of this alliance, all CSK players uniform will carry The Muthoot Group's logo in the front. The company has inked a three-year deal with CSK.

The Muthoot Group have been associated with several other sports in the past like football (through Indian Super League), Kabaddi (through Pro-Kabaddi League) and they have also partnered with IPL in their previous seasons (with Delhi Daredevils for 4 years).



Golden Handshake between The Muthoot Group & Sri Amitabh Bachchan

The Muthoot Group has signed an agreement with Padma Vibhushan Shri Amitabh Bachchan as he will be the Brand Ambassador of The Muthoot Group, representing it in its national campaigns.



(L-R) Mr. Eapen Alexander Muthoot, Executive Director, Mr. George M Jacob, Executive Director, Mr. Alexander George Muthoot, Deputy Managing Director, Mr. Amitabh Bachchan, Mr. Abhinav Iyer Deputy General Manager during Signing Ceremony on 15th January 2018 at Mumbai.



Our CSR Initiatives:

Donation of Omni Van

As part of CSR initiative, Muthoot Finance Ltd donated an Omni van to Dr. Zachariah Mar Theophilos Memorial Palliative Care Unit, Thadagam, Coimbatore. The main aim of Dr. Zacharia Mar theophilos Memorial Palliative care unit is to provide complete free home service to bedridden and chronically ill patients in and around Thadagam, which is a remote area in Coimbatore. This unit provides a platform for doctors, paramedical staffs and any person with a taste of charity to come and serve for the poor. They aim to cover 20 villages around Christu Sishya ashram and are planning to do many program for the upliftment of poor people in these villages including the tribal colonies.



Mr. Babu John Malayil, DGM Corporate Communications handed over the key of the Vehicle to H.H Ghee Varghese Mar Coorilose, Bishop of Mumbai at a function held at Christu Sishya ashram, Thadagam on 20/3/2018. Senior officials from Muthoot Finance Ltd. & Christu Sishya ashram were present on this occasion



Muthoot M George Higher Education Scholarship

Muthoot M George Higher Education Scholarship is an initiative by Muthoot M George Foundation, the CSR division of The Muthoot Group, for the purpose of honouring meritorious students to pursue their professional education.

The scholarship is awarded to students of the four professional courses viz, Medicine, Engineering, Nursing and Commerce. Students are entitled to the scholarship till the completion of the course, subject to terms and conditions recommended by the foundation.

The official launch of the project was done by Mr. Mathew T Thomas, Water Resource Minister, Kerala along with Mr. George Alexander Muthoot, Managing Director, The Muthoot Group. Inauguration of the distribution of Muthoot M George Higher Education Scholarship 2017 was done by Prof. (Dr.) Kuncheria P. Isaac, Former Vice Chancellor, Kerala Technological University, Mr. George Thomas Muthoot, Jt. Managing Director, The Muthoot Group, Mr. K P Padmakumar, Former chairman of Federal Bank & whole time director, MVFL, Justice J. B. Koshy, Independent Director, Muthoot Finance Ltd, Mr. V A Joseph, Former Managing Director & CEO, South Indian Bank, Prof. K V Thomas, Member of Parliament, Dr. Junaid, Former Director, Govt. Medical College, Ernakulam, Dr. A Unnikrishnan, Principal, Rajagiri College, Prof. Dr. Ramkumar, Principal, MITS, Sr. Dr. Celine E (Sr. Vinitha), St. Teresa's College, Ernakulam, Dr. Haneesh, General Hospital Ernakulam, were present on this occasion





Muthoot M George Foundation felicitates 10th standard toppers of all government schools across Kerala

Muthoot M George Excellence Awards distribution 2017 for all government schools in Kerala was inaugurated and distributed by Mr. Hibi Eden, MLA along with Mr. George Alexander Muthoot, Managing Director, The Muthoot Group. This scholarship will benefit students of Government schools and consists of a cash prize of Rs.3000/- with a certificate duly signed by Educational Officer and Chairman of Muthoot M George Foundation. The scholarship was launched in the year 2010 to the toppers of govt schools in Kerala, later in 2013 it got extended to state of Karnataka, Telengana and Andhra Pradesh. The selection of the scholarships is based on the list of rank holders prepared of various government schools in consultation with District Educational Offices.



(L – R) Adv. Thomas Abraham, President, YMCA, Mr. P C Cyriac IAS, Mr Hibi Eden MLA, Ms. Simna Pavithran, SSLC Topper, GGHSS Ernakulam, Mr. Saji Kumar, State Executive Committee member, BJP, Mr. George Alexander Muthoot, Managing Director, The Muthoot Group.

Marriage Assistance

Marriage assistance for the daughters of widowed mothers were handed over by Mr. George Jacob Muthoot, Joint Managing Director, The Muthoot Group during Branch Managers Meeting of Trivandrum South and North Regions held at Trivandrum in the presence of Mr.Vinodraj. B, RM., Trivandrum North and Mr. Satheesh Kumar. S, RM., Trivandrum South.



Muthoot M George Foundation felicitates 10th standard toppers of government schools in Hubli

Muthoot M George Excellence Awards 2017' for government schools in Hubli was inaugurated by Mr. Basavarj Horatti- MLC and Ex Education Minister. Mr. N H Nagur- DDPI Dharward, Mr. Sobhit Bhaskaran- Zonal Manager, Mr. Ashok Rane - RM Hubli & officials from RO Hubli were present on this occasion.





Awards

Non-banking Finance Company of the year 2017



Muthoot Finance Ltd. has been honored with “Non-banking Finance Company of the year 2017” award instituted by Dhanam, a leading fortnightly business magazine in Kerala, at a function held at Hotel Le Meridian Kochi. Mr. George Alexander Muthoot, Managing Director, The Muthoot Group received the award on behalf of the company. The award was presented by Mr. G Padmanabhan, Chairman, Bank of India & Former Executive Director RBI, along with Mr. V A Joseph, Former MD & CEO, South Indian Bank

NBFC Brand of Kerala



Muthoot Finance Ltd. has been honored with “The NBFC Brand of Kerala” by the Future Kerala Financial Daily at a glittering function held at Hotel Taj Gateway, Marine Drive, Ernakulam. Mr. George M Jacob, Executive Director, Muthoot Finance Ltd. received the award on behalf of the Company. The award was presented by Mr. Fabian Hamilton, Member of Parliament & Shadow Minister for Defense, Peace and Disarmament, UK. Also seen: Mr. Ranjit Srivenkatesh, Managing Editor, Future Kerala financial daily.



MUTHOOT SKILL INDIA INITIATIVE

Muthoot Skill India project was launched on 17th July, 2017 in association with Centum Foundation, the CSR arm of Centum Learning, a Bharti Group company, to impart free of cost employability linked skill development training to the underprivileged youth in Haryana.

Under the project, trainings were provided for a variety of skills such as Call Centre Executives, Sewing Machine Operators, Beauticians, etc. On completion of training, they will also be offered employment opportunities as well as assistance in setting up their own businesses, thereby completing the cycle of sustainable development.

Up to March 2018 we have provided training for 360 people across 5 different trades. Out of this 75% of the them were placed with suitable jobs.





Muthoot Finance is India's Most Trusted Financial Services Brand

Muthoot Finance Ltd. has been ranked as the Most Trusted Financial Services Brand in the 'The Brand Trust Report, India Study 2018' conducted by TRA (formerly Trust Research Advisory). TRA is India's foremost Data Insights Company dedicated to understanding and researching aspects that make the intangibles of brands measureable.

This recognition is an acknowledgement of our business excellence and the continuous trust that our customers have shown in us since our inception 131 years ago. We will continue to uphold our values and further strengthen the faith and trust reposed in us by our esteemed customers and stake holders.



**About Muthoot Finance Ltd:**

Muthoot Finance Limited is the largest gold financing company in India in terms of loan portfolio. The company is a 'Systemically Important Non-deposit taking NBFC' headquartered in the southern Indian state of Kerala.

Operating history of Muthoot Finance has evolved over a period of 79 years since M George Muthoot (the father of our Promoters) founded a gold loan business in 1939 under the heritage of a trading business established by his father, Ninan Mathai Muthoot, in 1887.

The company provides personal and business loans secured by gold jewellery, or Gold Loans, primarily to individuals who possess gold jewellery but could not access formal credit within a reasonable time, or to whom credit may not be available at all, to meet unanticipated or other short-term liquidity requirements.

Company is listed on both National Stock Exchange and Bombay Stock Exchange.

About Muthoot Insurance Brokers Pvt Limited:

MIBPL is a wholly owned subsidiary of Muthoot Finance Ltd. It is an unlisted private limited company holding a license to act as Direct Broker from IRDA since 2013. It is actively distributing both life and non-life insurance products of various insurance companies. During FY18, it has insured more than 8,41,000 lives with a First year premium collection of Rs.101Cr under Traditional, Term and Health products. The same was 5,66,000 & 4,59,000 lives with a First year premium collection of Rs.70Cr & Rs.49Cr in FY17 & FY16 respectively.

Key Business Parameters

	FY 18	FY 17	FY 16	Q4 FY 18	Q3 FY 18	Q2 FY 18	Q1 FY 18
First Year Premium Collection (Rs. In crs)	101	70	49	41	22	22	16
No. of Policies	841,476	566,282	458,652	205070	203,677	216,428	216,301

**About Muthoot Homefin (India) Limited:**

MHIL is a Housing Finance Company registered with The National Housing Bank (NHB). It is a wholly owned subsidiary of Muthoot Finance Limited.

MHIL's prime goal is to contribute towards financial inclusion of LMI families by opening doors of formal housing finance to them. Its focus is on extending Affordable Housing Finance. MHIL would be concentrating primarily on retail housing loans in the initial stages. It operates on a 'Hub and Spoke' model, with the centralised processing based out of Corporate Office at Mumbai. MHIL has operations in 6 states - Maharashtra (including Mumbai), Gujarat, Rajasthan, Madhya Pradesh, Kerala, Karnataka, Telangana, Andhra Pradesh, Haryana, Chandigarh, Uttar Pradesh.

MHIL has long term debt rating of AA- (Stable) for its bank limits which indicates "High degree of safety with regard to timely servicing of financial obligations and carry very low credit risk" and short term debt rating of 'A1+' for its Commercial Paper programme which indicates "Very strong degree of safety regarding timely payment of financial obligations and carry lowest credit risk" from ICRA Ltd.

CRISIL Ltd assigned long term debt rating of AA- (Stable) for its bank limits which indicates "High degree of safety with regard to timely servicing of financial obligations and carry very low credit risk."

Key Financial Parameters

(Rs. In Millions)

Particulars	FY 2018	FY 2017	FY 2016	Q4 FY 2018	Q3 FY 2018	Q2 FY 2018	Q1 FY 2018
No. of branches	19	9	2	19	17	14	11
No. of Sales Offices	121	110	0	121	121	110	110
No. of Employees	221	111	30	221	194	167	135
Loan Portfolio	14,648	4,408	315	14,648	10,999	8,296	5,957
Capital Adequacy Ratio	26%	37%	226%	26%	26%	44%	27%
Total Revenue	1259	242	19	452	358	256	192
Total Expense	840	189	19	299	229	180	131
Profit Before Tax	419	53	-	153	129	76	61
Profit After Tax	278	29	-	116	80	45	37
Shareholder's Funds	2160	882	569	2160	2,044	1,963	918
Total Outside Liabilities	13,700	3,624	3	13,700	10,326	7,594	5,954
Total Assets	15,860	4,506	572	15,860	12,370	9,557	6,872
Gross NPA(%)	0.42	-	-	0.42	0.43	0.50	0.11
Net NPA(%)	0.36	-	-	0.36	0.36	0.43	0.09

About Belstar Investment and Finance Private Limited (BIFPL):

BIFPL was incorporated on January 1988 at Bangalore and the Company was registered with the RBI in March 2001 as a Non- Banking Finance Company. The Company was reclassified as "NBFC-MFI" by RBI effective from 11th December 2013. Muthoot Finance holds 66.61% of equity share capital of BIFPL. BIFPL 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 Havier District of Karnataka in March 2009 to 3 SHGs, 22 members for INR 0.02crores.

In the last nine years of its operations, BIFPL primarily relied on taking over the existing groups formed by Hand in Hand India. BIFPL predominantly follows the SHG model of lending. Effective January 2015, BIFPL started working in JLG model of lending in Pune district, Maharashtra.

As of March 31, 2018, BIFPL operations are spread over seven states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha, Chattisgarh and Pondicherry). It has 235 branches, with 44 controlling regional offices and employing 1783 staff. Its gross loan portfolio has grown from INR 0.02 Crores in March 2009 to INR 1137 crores in March 2018. For FY 18, its Net Profit after Tax was Rs.33.66crs and had a net worth of Rs.159.48crs.

Key Financial Parameters
(Rs. In Millions)

Particulars	FY 2018	FY 2017	FY 2016	Q4 FY 2018	Q3 FY 2018	Q2 FY 2018	Q1 FY 2018
No. of branches	235	155	76	235	215	198	172
No. of Employees	1,783	1,093	561	1,783	1576	1,383	1,240
Gross Loan Portfolio	11,371	5,759	2,643	11,371	9,451	7,968	6,652
Capital Adequacy Ratio	18%	17%	17%	18%	19%	17%	20%
Total Revenue	2189	1,034	581	692	596	482	419
Total Expense	1693	874	489	525	448	381	339
Profit Before Tax	496	160	92	167	148	101	80
Profit After Tax	337	104	61	122	97	66	52
Shareholder's Funds	1595	903	399	1595	1,412	1,009	956
Total Outside Liabilities	11,825	6,726	2,881	11,825	9,621	8,147	6,982
Total Assets	13,420	7,629	3,280	13,420	11,033	9,156	7,938
Gross NPA(%)*	0.76	0.10	0.17	0.76	0.84	0.24	0.17
Net NPA(%)*	0.30	0.01	0.00	0.30	0.37	0.06	0.04

**on Gross Loan Portfolio*

About Asia Asset Finance PLC, Sri Lanka:

Asia Asset Finance PLC, (AAF) Colombo, Sri Lanka became a foreign subsidiary of Muthoot Finance Ltd on December 31, 2014. The company formerly known as Finance and Land Sales has been in operation for over 46 years, evolving to serve the growing needs of people of Sri Lanka.

As on March 31, 2018, total holding in AAF by Muthoot Finance stood at 503 million equity shares representing 60% of their total capital. AAF is a Registered Financial Company based in Sri Lanka a fully licensed, deposit-taking institution registered with the Central Bank of Sri Lanka and listed in the Colombo Stock Exchange.

AAF is in lending business since 1970. At present the company is involved in Retail Finance, Hire Purchase & Business Loans and has 17 branches across Sri Lanka. It has total staff strength of 489 currently. In 2015, it entered the space of Gold Loans with assistance of Muthoot Finance.

Key Financial Parameters

(LKR in millions)

	FY18	FY17	FY16	Q4 FY 2018	Q3 FY 2018	Q2 FY18	Q1 FY18
INR/LKR	0.41551	0.42113	0.43691	0.41551	0.41374	0.42313	0.41706
No. of Branches	17	15	15	17	17	17	17
No. of Employees	489	448	358	489	490	481	449
Loan Portfolio	9,950	8,662	6,854	9,950	9,746	9,494	9,082
Capital Adequacy Ratio	20%	19%	22%	20%	20%	20%	21%
Total Revenue	2,559	2,131	1,383	683	645	638	593
Total Expenses	2,304	1,815	1,174	618	585	582	520
Profit Before Tax	256	316	209	65	60	57	73
Profit After Tax	198	278	175	58	47	40	57
Shareholder's Funds	1,879	1,737	1,462	1,879	1,821	1,775	1,735
Total Outside Liabilities	9,882	8,290	6,653	9,882	9,515	9,396	8,828
Total Assets	11,761	10,027	8,115	11,336	11,336	11,170	10,563