



# Muthoot Microfin Limited

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Ref:

To

**BSE Limited**  
**Phiroze Jeejeebhoy Towers**  
**Dalal Street**  
**Mumbai - 400001**  
*Scrip code: 544055*

**National Stock Exchange of India Limited**  
**Exchange Plaza, C-1, Block G**  
**Bandra Kurla Complex, Bandra (East)**  
**Mumbai - 400051**  
*Symbol: MUTHOOTMF*

Dear Sir/Madam,

**Sub.: Press Release**

Pursuant to Regulation 30 of SEBI (Listing Regulations and Disclosure Requirements), 2015, please find herewith the press release titled **“CRISIL Rating Upgrade to 'CRISIL AA-/Stable”**

Please take the same on record.

Thanking you,

**Yours Truly**

For Muthoot Microfin Limited

**Neethu Ajay**  
**Company Secretary and Chief Compliance Officer**

## Press Release

### CRISIL Rating Upgrade to 'CRISIL AA-/Stable'

Long-Term Rating Upgraded from CRISIL A+/Positive; Commercial Paper Reaffirmed at CRISIL A1+

**Kochi, 9<sup>th</sup> June 2026:** Muthoot Microfin Limited (NSE: MUTHOOTMF, BSE: 544055), among India's leading Non-Banking Financial Company-Micro Finance Institution (NBFC-MFI), today announced that CRISIL Ratings has upgraded its long-term credit rating to CRISIL AA-/Stable from CRISIL A+/Positive. The Company's Commercial Paper rating has been reaffirmed at CRISIL A1+.

Particulars	Amount	Rating
Total Bank Loan Facilities Rated	Rs.10,000 Crore	Crisil AA-/Stable (Upgraded from 'Crisil A+/Positive')
Commercial Paper	Rs.300 Crore	Crisil A1+ (Reaffirmed)

The upgrade is expected to further enhance the Company's access to diversified funding sources at competitive rates, supporting a continued reduction in borrowing costs. Muthoot Microfin has already demonstrated significant progress in lowering its cost of funds, which declined from 11.0% in FY25 to 10.3% in Q4 FY26, while the incremental cost of funds has come down to 9.9%. The improved credit profile will help sustain this trend, enabling the Company to optimize its liability mix and strengthen net interest margins (NIMs) over the medium term.

### About the Rating Action

The upgrade reflects Muthoot Microfin's strengthening credit profile, underpinned by improving asset quality, a recovery in profitability, adequate capitalisation, a diversified resource profile, and a robust liquidity position. The rating also factors in the continued financial, operational, and management support from its parent, Muthoot Fincorp Limited, the flagship company of the Muthoot Pappachan Group.

### Key Drivers:

- **Improving Asset Quality:** GNPA's declined to 3.89% from 4.84%, and collection efficiency held above 96% backed by tighter underwriting, portfolio guardrails, and a provision cover of 71.5%.
- **AUM Growth Back on Track** AUM grew ~13% year-on-year to Rs. 14,006 crore in FY26, a strong rebound from just 1.3% growth in FY25, driven by improved disbursements following portfolio stabilisation.

- **Sharp Profitability Turnaround** PAT recovered to ~Rs. 170 crore in FY26 from a loss of Rs. 222 crore in FY25, with credit costs halving to 3.5%.
- **Well-Capitalised Balance Sheet** Net worth stood at Rs. 2,854 crore with gearing at a comfortable 3.3x times as of March 31, 2026, further strengthened by strong parental support enabling timely fund mobilisation. Healthy CRAR at 23.9%.

**Commenting on this development Mr. Thomas Muthoot, Chairman and Non-Executive Director, Muthoot Microfin, said,**

*“We are delighted to receive this rating upgrade, which reflects the trust and confidence that our stakeholders have placed in Muthoot Microfin. In a period when the microfinance sector continues to navigate a challenging operating environment, this upgrade stands out as a recognition of our resilient business model, prudent governance, increasing diversification and disciplined execution.*

*It is particularly encouraging to be among the few NBFC-MFIs to receive a positive rating action during this period. As we look ahead, we remain focused on building a resilient and future-ready institution that delivers sustainable value while advancing the cause of financial inclusion.”*

**Commenting on this development Mr. Sadaf Sayeed, CEO, Muthoot Microfin, said, “The upgrade from CRISIL A+ to CRISIL AA- is a significant milestone for Muthoot Microfin and reflects the strength of our operations, financial discipline, and consistent execution. It reinforces the confidence of lenders, investors, and other stakeholders in our long-term growth strategy.**

*This higher rating strengthens our funding profile by enabling access to a wider pool of lenders. It also enhances our ability to secure funding on more competitive terms, supporting our ongoing efforts to reduce the cost of funds and improve net interest margins (NIMs).*

*The upgrade is an important step toward our Vision 2030 goals of achieving Rs. 30,000 crore in AUM, having an ROA of 5%+ and positively impacting 10 million households. We remain committed to empowering underserved women and expanding access to inclusive financial services across India.”*

## **About Muthoot Microfin Limited**

Muthoot Microfin Ltd. is a part of Muthoot Pappachan Group (also known as Muthoot Blue) and is one of the leading listed MFIs in India. It has inherited values, principles of integrity, collaboration, and excellence to take forward the legacy of 138+ years. The microfinance operations of the Company are designed to promote entrepreneurship among women and inclusive growth. It provides financial assistance through micro loans such as income generating loans to women engaged in small businesses. It is involved in delivering financial services to masses including underprivileged and disadvantaged people, living in the rural sectors of the Indian society at affordable terms, in quick turnaround time and with hassle-free processing is the aim of our financial inclusion drive. As on 31st March 2026, the Company has 3.27 million active customers served through 1,670 branches spread across 21 states and 390 districts with a Gross Loan Portfolio (GLP) of 14,005.6 Cr. It is also part of S&P BSE Financial Services Index.



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## For more information, please contact:

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**Ms. Neethu Ajay**

**Muthoot Microfin Ltd.**

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## Caution Concerning Forward- Looking Statements:

*This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The Company is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.*