



Muthoot Microfin Limited

Administrative Office

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CIN: U65190MH1992PLC066228



A Muthoot Pappachen Group Company



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, we hereby submit the Press Release on the Un-audited Financial Results for the quarter and half year ended September 30, 2024. The same is also available on the website of the company at www.muthootmicrofin.com

Please take the same on record.

Thanking you,

Yours Truly
For Muthoot Microfin Limited

Neethu Ajay
Company Secretary and Chief Compliance Officer



Press Release

Muthoot Microfin AUM at Rs. 12,518 crore

NIM improved by 57 bps YoY and PPOP increased by 26% YoY

- Total income grew by 18.0% YoY, from Rs. 565 crore to Rs. 667 crore.
- AUM increased by 15.2% YoY, from Rs. 10,867 crore in Q2FY24 to Rs. 12,518 crore in Q2FY25.
- NIM rose by 57 bps, from 12.79% in Q2FY24 to 13.36% in Q2FY25.
- PPOP increased by 26.0% YoY, from Rs. 187 crore in Q2FY24 to Rs. 236 crore in Q2FY25.
- GNPA increased by 33 bps YoY, from 2.37% in Q2FY24 to 2.70% in Q2FY25.
- CoF decreased by 14 bps, from 11.20% in Q2FY24 to 11.06% in Q2FY25.

Mumbai, 5th November 2024: Muthoot Microfin Limited (NSE: MUTHOOTMF, BSE: 544055), among India's leading Non-Banking Financial Company-Micro Finance Institution (NBFC-MFI), focused on providing micro-loans to women entrepreneurs with a focus on rural regions of India, today announced its un-audited financial performance for the quarter and half year of the financial year 2024-25.

Business Highlights: Q2FY25

- GLP grew by 15.2% YoY from Rs.10,867 crore to **Rs. 12,518 crore**; company disbursed **Rs. 2,674 crore**
- Borrower base grew by 7.7% YoY from 32 lakhs to **34 lakhs** across **1,593** branches. The branch count grew by 18.9% YoY as the company added 31 new branches in Q2
- South now comprises 50% of portfolio as the company makes inroads to two new states - Telangana and Andhra Pradesh

Financial Highlights: Q2FY25

- Total income increased by 18.0% YoY from Rs. 565 crore to **Rs. 667 crore**
- Net interest income (NII) increased by 18.1% YoY from Rs. 338 crore to **Rs. 399 crore**
- Pre-provision operating profit (PPOP) increased by 26.1% YoY from Rs. 187 crore to **Rs. 236 crore**
- Profit After Tax (PAT) de-grew by 43.8% YoY from Rs. 109 crore to **Rs. 62 crore**. The PAT is impacted as we have provided an additional macro enabled overlay of Rs. 31 crs given bulging industry concerns and to address any further impact from disruption in the field due to floods or political activism.



- The **GNPA** of the Company is at **2.70%** as against GNPA of 2.37% a year ago, **NNPA (Net of Stage III provision)*** stood at **0.97%** as against 0.88% last year.
- Robust liquidity of **Rs. 706 crore** of unencumbered cash and cash equivalents, 6% of the total assets alongside unutilized sanctions totalling Rs. 3,566 crores.
- Healthy capital position with a **CRAR of 28.67%**.
- 24% of our collections are via digital channels such as UPI/Customer App, while 100% disbursements are entirely executed digitally.

Key Metrics: Q2FY25

Particulars	Q2 FY24	Q2 FY25	YoY%
Gross Loan Portfolio (Rs. Cr)	10,867.0	12,518.5	15.2%
Borrowers (Lakh)	32	34	7.7%
Branches (No.)	1,340	1,593	18.9%

Particulars (Rs. Cr)	Q2 FY24	Q2 FY25	YoY%
Net Interest Income (NII)	337.9	399.0	18.1%
Pre-Provision Operating Profit (PPOP)	187.5	236.5	26.0%
Profit After Tax (PAT)#	109.6	61.6	-43.8%

Key Ratios	Q2 FY24	Q2 FY25	YoY%
Net Interest Margin (NIM)	12.79%	13.36%	+57 bps
Cost/Income Ratio	45.54%	44.54%	-100 bps
Opex/GLP Ratio	6.03%	6.15%	+12 bps
Gross NPA	2.37%	2.70%	+33 bps
Net NPA* (Net of Stage 3 Provision)	0.88%	0.97%	+9 bps
Return on Assets (ROA)	4.20%	2.00%	-220 bps
Return on equity (ROE)	23.10%	8.30%	-1480 bps

* NNPA % represent Net NPA % (Net of Stage 3 Provision). Net NPA % (Net of Total provision) is 0.10%, 0.33% & 0.23% for Q2 FY'25, Q2 FY'24 & Q1 FY'25 respectively.

PAT is after providing for management overlay of 31 Cr for Macro economic factors which is over above ECL provisioning.



Commenting on the performance:

Mr. Thomas Muthoot, Managing Director of Muthoot Microfin, said-

"Amid recent industry challenges, Muthoot Microfin delivered a solid performance this quarter, achieving a 15.2% year-on-year increase in our Gross Loan Portfolio, now at ₹12,518 crore. We also added 31 new branches during this period. Our disciplined lending practices, backed by robust underwriting standards and prudent NATCAT policies, have driven sustainable portfolio growth while preserving asset quality. This quarter, we maintained a GNPA of 2.70% and NNPA of 0.97%, underscoring the strength of our portfolio.

As we look ahead, we are prepared to accelerate our growth trajectory in this evolving industry landscape. With the implementation of SRO guardrails, we are committed to upholding high standards that will further strengthen stakeholder confidence and enhance the industry's reputation."

Mr. Sadaf Sayeed, CEO, Muthoot Microfin, said-

"The company has cautiously inched up disbursements to Rs. 2,674 crore in the September quarter, up from ₹2,204 crore in the previous quarter and returning to similar levels as last year. We expect growth to reaccelerate in coming quarters with usual seasonal upswing coupled with our focus on harnessing existing customers and strengthening our core geographies.

Our asset quality remains stronger-than-peers led by our core mature southern markets and our robust underwriting and collection practices. During Q2, we have gone a step further and adopted a stance of being far more conservative providing additional Macro enabled overlay of 31.2 crore given bulging industry concerns. This increase in provisioning has resulted in creating Rs.153cr surplus to IRAC prudential norms.

Our willingness to invest against profitability has negatively impacted our ROA during the quarter which has gone down to 2.00%. We continue to underpin our ambition of industry leading returns and recalibrate our FY25 ROA guidance to 2.75%-3.25% acknowledging the uncertainty prevailing within the industry while maintaining a continuous focus on balancing growth, profitability, and liquidity."



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 30th September 2024, the Company has 3.4 million active customers served through 1,593 branches spread across 20 states and 369 districts with a Gross Loan Portfolio (GLP) of 12,518.5 Cr. It is also part of S&P BSE Financial Services Index.

For more information, please contact:

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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.