



# 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, we hereby submit the Press Release on the Un-audited Financial Results for the quarter and nine months ended December 31, 2024. The same is also available on the website of the company at [www.muthootmicrofin.com](http://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. 12,405 crore

#### NIM improved by 78 bps YoY and PPOP increased by 39.6% YoY

- Total income grew by 17.7% YoY, from Rs. 579 crore to Rs. 681 crore.
- AUM increased by 8.3% YoY, from Rs. 11,458 crore in Q3FY24 to Rs. 12,405 crore in Q3FY25.
- NIM rose by 78 bps, from 12.5% in Q3FY24 to 13.3% in Q3FY25.
- PPOP increased by 39.6% YoY, from Rs. 181 crore in Q3FY24 to Rs.252 crore in Q3FY25.
- GNPA increased by 74 bps YoY, from 2.29% in Q3FY24 to 3.03% in Q3FY25.
- CoF decreased by 14 bps YoY, from 11.21% in Q3FY24 to 11.07% in Q3FY25.

**Mumbai, 6th February 2025:** 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 third quarter and nine months of the financial year 2024-25.

#### Business Highlights: Q3FY25

- GLP grew by **8.3% YoY** from Rs.11,458 crore to **Rs. 12,405 crore**; company disbursed **Rs. 2,035 crore** during the quarter
- Borrower base grew by **4.5% YoY** from 33 lakhs to **34 lakhs** across **1,651** branches. The branch count grew by **15.9% YoY** as the company added 58 new branches in Q3
- Reduced lending rates by 25 bps for income-generating loans (IGL) and by 125 bps for third-party product loans (TPP) in Q3FY25; bringing the total reduction in IGL to 115 bps since January 2024

#### Financial Highlights: Q3FY25

- Total income increased by **17.7% YoY** from Rs. 579 crore to **Rs. 681 crore**
- Net interest income (NII) increased by **23.1% YoY** from Rs. 341 crore to **Rs. 420 crore**
- Pre-provision operating profit (PPOP) increased by **39.6% YoY** from Rs. 181 crore to **Rs. 252 crore**

- Profit After Tax (PAT) for the quarter declined from Rs. 125 crore to **Rs. 4 crore**. This was primarily driven by considerable provisioning cost in Q3 of Rs. 247 crore, influenced by the uncertain macroeconomic environment and recent regulatory changes.
- The **GNPA** of the Company is at **3.03%** as against GNPA of 2.29% a year ago, **NNPA (Net of Stage III provision)\*** stood at **1.27%** as against 0.87% last year
- Robust liquidity of **Rs. 788 crore** of unencumbered cash and cash equivalents, alongside unutilized sanctions totalling Rs. 715 crores and pending DA/PTC sanctions of 1,267 crore
- Healthy capital position with a **CRAR of 30.5%**
- 25% of our collections are via digital channels such as UPI/Customer App, while 100% disbursements are entirely executed digitally

## Key Metrics: Q3FY25

Particulars	Q3 FY24 <sup>#</sup>	Q3 FY25	YoY%
Gross Loan Portfolio (Rs. Cr)	11,458.1	12,404.9	8.3%
Borrowers (Lakh)	33	34	4.5%
Branches (No.)	1,424	1,651	15.9%

Particulars (Rs. Cr)	Q3 FY24 <sup>#</sup>	Q3 FY25	YoY%
Net Interest Income (NII)	341.3	420.2	23.1%
Pre-Provision Operating Profit (PPOP)	180.7	252.2	39.6%
Profit After Tax (PAT)	124.6	3.8	-96.9%

Key Ratios	Q3 FY24 <sup>#</sup>	Q3 FY25	YoY%
Net Interest Margin (NIM)	12.48%	13.26%	78 bps
Cost/Income Ratio	48.66%	43.20%	-546 bps
Opex/GLP Ratio	5.95%	6.13%	18 bps
Gross NPA	2.29%	3.03%	74 bps
Net NPA* (Net of Stage 3 Provision)	0.87%	1.27%	40 bps
Return on Assets (ROA)	4.47%	0.12%	-435 bps
Return on equity (ROE)	25.97%	0.50%	-2,547 bps

\* Net NPA % (Net of Total provision) is 0.33% and 0.34% for Q3FY24 and Q3FY25 respectively.

# Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

## Key Metrics: 9MFY25

Particulars (Rs. Cr)	9M FY24 <sup>#</sup>	9M FY25	YoY%
<b>Net Interest Income (NII)</b>	957.5	1230.1	28.5%
<b>Pre-Provision Operating Profit (PPOP)</b>	515.1	737.3	43.2%
<b>Profit After Tax (PAT)</b>	329.8	178.6	-45.8%

Key Ratios	9M FY24 <sup>#</sup>	9M FY25	YoY%
<b>Net Interest Margin (NIM)</b>	12.63%	13.07%	44 bps
<b>Cost/Income Ratio</b>	47.16%	43.27%	-389 bps
<b>Opex/GLP Ratio</b>	5.94%	6.08%	14 bps
<b>Return on Assets (ROA)</b>	4.25%	1.93%	-232 bps
<b>Return on equity (ROE)</b>	24.33%	8.20%	-1,613 bps

# Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

## Commenting on the performance:

**Mr. Thomas Muthoot, Chairman & Non-Executive Director of Muthoot Microfin, said-**

*The first nine months of FY25 presented challenges due to various macroeconomic and industry-related factors that affected the Indian financial sector. Despite this environment, we remained committed to managing our portfolio with utmost caution, striking a balance between operational efficiency and strong asset quality.*

*Our Assets Under Management remained flat QoQ at Rs. 12,405 crore, declining marginally by 0.9% QoQ driven by calibrated disbursements. GNPA for this period stood at 3.03%, a marginal uptick (+33bps QoQ) despite the elevated industry stress. Our disciplined underwriting policies supported by a data-driven scorecard and a robust collection team, have enabled us to minimize the impact of industry challenges. We would continue to maintain a balanced approach to business, with focus on asset quality, and improving profitability.*

*On the leadership front, we are delighted to welcome Mr. Thomas Muthoot John, a member of the fourth generation of the Muthoot Pappachan Group (MPG), to the Board of Muthoot Microfin as an Executive Director. His fresh perspective, innovative ideas, and dynamic energy will play a pivotal role in driving the next phase of growth, innovation, and expansion. Together, we are committed to strengthening MPG's legacy and further solidifying our position as a leader in the microfinance industry."*

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

*“The microfinance industry is experiencing a challenging financial year, shaped by macroeconomic uncertainties and a shifting regulatory landscape. Despite these obstacles, the sector has demonstrated remarkable resilience and adaptability. At Muthoot, we remain committed to driving steady and responsible growth, underpinned by strong corporate governance, operational agility, and a resilient business model.*

*Owing to these challenges, we continued loan disbursements in a calibrated manner while maintaining a cautious eye on the market during Q3 FY25. The Company reported Net Interest Income of Rs. 420.2 Crore for Q3FY25 a growth of 5.5% QoQ with NIMs remaining stable at 13.26%. However, our profitability for the quarter was affected by our proactive decision to maintain high provisions, addressing growing overleverage concerns within the industry. Notably, portfolio share of MMFL+4 borrowers have declined to 7.1% from 10.9% in Q2FY25 reflecting our stringent efforts to maintain portfolio quality. With collections remaining a priority, we have observed a positive trend in December and January, underscoring the effectiveness of our recovery efforts.*

*Macro and regulatory challenges related to overleveraging persist. However, with the new guardrails coming into effect from April 2025, we are well-prepared with robust systems and processes already in place. As an organization, we have proactively adhered to these guidelines ahead of time. Moving forward, we remain committed to strengthening our internal ecosystem, ensuring resilience even in challenging times. We have begun to see signs of recovery and remain optimistic that our strong fundamentals will enable us to achieve the desired growth and profitability.”*



## 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 31<sup>st</sup> December 2024, the Company has 3.42 million active customers served through 1,651 branches spread across 20 states and 379 districts with a Gross Loan Portfolio (GLP) of 12,404.9 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.*