



Muthoot Finance Limited

Registered Office :
2nd floor, Muthoot Chambers,
Opp. Saritha Theatre Complex,
Banerji Road, Ernakulam - 682 018
Kerala, India.
CIN : L65910KL1997PLC 011300

Phone : +91 484 2396478, 2394712
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www.muthootgroup.com

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

Ref: SEC/MFL/SE/2019/3067

February 06, 2019

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: Unaudited Financial Results for the quarter ended December 31, 2018

The Board of Directors of the Company at their meeting held on February 06, 2019 have approved the unaudited financial results for the quarter ended December 31, 2018.

We herewith enclose the unaudited financial results along with the Limited Review Report for the quarter ended December 31, 2018 as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI - LODR').

The results would be published in one English and one Vernacular newspaper as required under Regulation 47 of SEBI - LODR.

Request you to kindly take on record the information and disseminate the same to the investors through the website.

Thanking You,

For Muthoot Finance Limited

Maxin James
Company Secretary

MUTHOOT FINANCE LIMITED

Registered and Corporate Office: 2nd Floor, Muthoot Chambers,
Opposite Saritha Theatre Complex, Banerji Road, Kochi - 682 018, India.

CIN : L65910KL1997PLC011300

Ph. No. : 0484 2396478, Fax No. : 0484 2396506, Website : www.muthootfinance.com,

Email : mails@muthootgroup.com

Statement of Unaudited Standalone Financial Results for the Quarter and nine months ended December 31, 2018

Rs. in Lakhs except for equity share data

Particulars	Quarter ended			Nine months ended	
	31-Dec-18	30-Sep-18	31-Dec-17	31-Dec-18	31-Dec-17
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue from operations					
(i) Interest income	1,68,272.30	1,63,157.41	1,56,520.81	4,92,512.70	4,56,821.87
(ii) Dividend income	-	-	-	-	200.97
(iii) Net gain/(loss) on fair value changes	1,645.11	(28.60)	21.70	2,034.01	902.24
(iv) Service charges	1,191.81	1,270.34	866.76	3,549.64	2,095.61
(v) Others	542.40	563.99	615.71	1,753.00	1,893.64
(I) Total Revenue from operations	1,71,651.62	1,64,963.14	1,58,024.98	4,99,849.35	4,61,914.33
(II) Other Income	59.42	48.44	1,117.27	172.83	1,147.63
(III) Total Income (I + II)	1,71,711.04	1,65,011.58	1,59,142.25	5,00,022.18	4,63,061.96
Expenses					
(i) Finance costs	58,888.09	53,535.01	47,247.16	1,62,579.44	1,47,786.07
(ii) Impairment on financial instruments	190.69	253.63	5,045.94	709.59	18,000.68
(iii) Employee benefits expenses	19,803.21	20,855.71	18,889.51	62,346.26	56,939.50
(iv) Depreciation, amortization and impairment	1,100.83	1,002.42	1,149.55	3,014.16	3,250.05
(v) Other expenses	13,496.09	14,836.16	12,496.06	43,111.97	34,562.22
(IV) Total Expenses (IV)	93,478.91	90,482.93	84,828.22	2,71,761.42	2,60,538.52
(V) Profit before tax (III- IV)	78,232.13	74,528.65	74,314.03	2,28,260.76	2,02,523.44
(VI) Tax Expense:					
(1) Current tax	27,285.85	26,276.93	25,736.46	80,631.77	73,612.77
(2) Deferred tax	183.26	(131.65)	710.68	(673.26)	1,983.59
(3) Taxes relating to prior years	2,238.07	-	-	2,238.07	-
(VII) Profit for the period (V-VI)	48,524.95	48,383.37	47,866.89	1,46,064.18	1,26,927.08
(VIII) Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss	(122.42)	(403.89)	181.37	(367.26)	477.14
(ii) Income tax relating to items that will not be reclassified to profit or loss	43.60	139.78	(62.77)	128.34	(165.13)
Other comprehensive income/ (loss) (net of tax)	(78.82)	(264.11)	118.60	(238.92)	312.01
(IX) Total comprehensive income for the period (VII+VIII)	48,446.13	48,119.26	47,985.49	1,45,825.26	1,27,239.09
(X) Earnings per equity share (not annualised)					
(Face value of Rs. 10 each)					
Basic (Rs.)	12.12	12.09	11.98	36.50	31.77
Diluted (Rs.)	12.12	12.07	11.95	36.43	31.65



See accompanying notes to financial results

FOR MUTHOOT FINANCE LIMITED

Managing Director

MUTHOOT FINANCE LIMITED
Registered and Corporate Office: 2nd Floor, Muthoot Chambers,
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Notes:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on February 5, 2019 and February 6, 2019.
2. The Company has adopted Indian Accounting Standards ('Ind AS') as notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015 from April 1, 2018. The financial results together with the results for the comparative reporting period of the Company have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting. The effective date of transition to Ind AS is April 1, 2017 and the same has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules of Companies (Accounts) Rules 2014, guidelines issued by the Reserve Bank of India ('RBI') and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP').

The impact of above transition has been recorded in the opening reserves as at April 1, 2017 and the corresponding figures pertaining to comparative previous period as presented in these financial results have been restated / reclassified in order to conform to current period presentation. Provision created on loan assets in earlier periods towards non-performing assets and standards assets which is in excess of the amount currently determined on application of expected credit loss method as per Ind AS 109 ('Financial Instruments') has been retained in the books of accounts, as a matter of prudence and carried under 'Provisions' in Balance Sheet.

These financial results may require further adjustments, if any, necessitated by guidelines/ clarifications/ directions issued in the future by RBI, Ministry of Corporate Affairs or other regulators, which will be implemented as and when the same are issued/ made applicable.

The financial statements have been presented in accordance with format prescribed for Non Banking Finance Companies under the Companies (Indian Accounting Standards) Rules, 2015 in Division III of Schedule III as per Notification No G.S.R. 1022(E) dated 11.10.2018, issued by Ministry of Corporate Affairs, Government of India.

3. The company has opted to avail the relaxations provided by the Securities and Exchange Board of India (SEBI) vide Circular No: CIR/CFD/ FAC/62/ 2016 dated July 5, 2016 as available to listed entities for submission of Ind AS compliant financial results for the previous year ended March 31, 2018 and hence has provided Ind AS compliant financial results only for the previous quarter and nine months ended December 31, 2017 along with the financial results for the quarters ended December 31, 2018 and September 30, 2018. Further, the Ind AS compliant financial results for the quarter and period ended December 31, 2017 have not been subjected to Limited Review by the Statutory Auditors. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.



4. Reconciliation of Net Profit reported under Previous GAAP and Ind AS for the quarter and nine months ended December 31, 2017 (as per requirements of Para 32 of Ind AS 101) is as under:

Particulars	Quarter ended December 31, 2017 (Rs in Lakhs)	Nine months ended December 31, 2017 (Rs in Lakhs)
Net Profit after tax reported under Previous GAAP	46,364.93	126,887.88
Adjustments increasing / (decreasing) net profit after tax as reported in the previous GAAP:		
Impact on application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	3,289.67	(533.92)
Amortisation of net income under Effective Interest Rate method for financial assets	(186.49)	(512.03)
Amortisation of expenses under Effective Interest Rate method for financial liabilities	(361.84)	1252.46
Net gain on fair valuation of Investments	(32.43)	(0.05)
Reversal of derivative liability recognised on transition	-	590.62
Reclassification of Actuarial Gain/Loss to Other Comprehensive Income	(181.37)	(477.14)
Fair Valuation of Employee Stock Options	(230.69)	(259.99)
Tax adjustments on above items	(794.89)	(20.75)
Net Profit after tax as under Ind AS	47,866.89	126,927.08
Other Comprehensive Income/ Loss (Net of tax)	118.60	312.01
Total Comprehensive Income(after tax) as reported under Ind AS	47,985.49	127,239.09

5. The Company has opted to publish only Standalone financial results, pursuant to option available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
6. The company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS – 108 dealing with Operating Segments.
7. During the quarter ended December 31, 2018, the company has allotted 371,510 shares under the 'Muthoot ESOP 2013 Scheme'. The company has not granted any options during the quarter.
8. The Company has maintained requisite full asset cover by way of mortgage of immovable property and pari passu floating charge on current assets, book debts and loans & advances of the Company on its Secured Listed Non- Convertible Debentures aggregating to Rs. 731,201.96 lakhs as at December 31, 2018.



9. During the quarter ended December 31, 2018, the company subscribed to 4,527,755 equity shares of Rs 10/- each at a premium of Rs. 146.77 per share of its subsidiary, Belstar Investment and Finance Private Limited for a total consideration of Rs. 7,098.16 lakhs taking its shareholding to 70.01%.
10. During the quarter ended December 31, 2018, the company acquired, by acquiring 5,625 equity shares of face value Rs 1,000/- each at a price of Rs.17,685/- per share aggregating to Rs. 994.78 Lakhs from existing shareholders of Muthoot Money Private Limited, thus making it a wholly owned subsidiary. It also subscribed to 56,545 fresh equity shares of face value of Rs. 1,000 each at Rs. 17,685/- per share aggregating to Rs. 9,999.98 Lakhs.

For and on behalf of the Board of Directors



A handwritten signature in blue ink, appearing to read "George Alexander Muthoot", written over a horizontal line.

George Alexander Muthoot
Managing Director
DIN- : 00016787

Kochi
February 06, 2019



Limited Review Report

The Board of Directors

Muthoot Finance Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Muthoot Finance Limited (“the Company”) for the period ended 31 December 2018 (“the Statement”). This statement has been prepared by the company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by Circular No CIR/CFD/FAC/62/2016 dated July 5 2016. Attention is drawn to the fact that the figures for the corresponding quarter and nine months ended 31 December 2017 including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under previous GAAP, as reported in these financial results have been approved by company’s Board of Directors but have not been subjected to review.
2. This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity.*” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

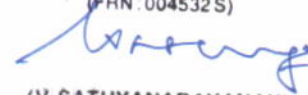


4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards, i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Kochi

Date : 06.02.2019

For VARMA & VARMA
(FRN: 004532S)



(V. SATHYANARAYANAN)
Partner
CHARTERED ACCOUNTANTS
Membership No. 21941