July 30, 2021(Revised)

Muthoot Finance Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture Programme (public placement)	7,787.23	7,787.23	[ICRA]AA+(Stable); reaffirmed
	2,265.35	-	[ICRA]AA+(Stable); reaffirmed and withdrawn
	-	1,000.00	[ICRA]AA+(Stable); assigned
Non-convertible Debenture Programme (private placement)	3,730.00	3,730.00	[ICRA]AA+(Stable); reaffirmed
Long-term Fund-based Bank Facility / CC	13,297.00#	9,572.00##	[ICRA]AA+(Stable); reaffirmed
Short-term Fund-based Bank Facilities	18,988.00#	14,983.00##	[ICRA]A1+; reaffirmed
Term Loans	5,990.00	10,015.00	[ICRA]AA+(Stable); reaffirmed
Subordinated Debenture Programme	348.96	348.96	[ICRA]AA+(Stable); reaffirmed
	69.09	-	[ICRA]AA+(Stable); reaffirmed and withdrawn
Commercial Paper Programme	5,000.00	5,000.00	[ICRA]A1+; reaffirmed
Total	**45,715.63**	**44,381.19**	

**Instrument details are provided in Annexure-1*

#Long-term and short-term fund-based limits include an interchangeable limit of Rs. 11,760 crore; total rated bank facilities stand at Rs. 26,515 crore (including Rs. 5,990.0-crore term loans)

##Long-term and short-term fund-based limits include an interchangeable limit of Rs. 8,055 crore; total rated bank facilities stand at Rs. 26,515 crore (including Rs. 10,015.0-crore term loans)

Rationale

The ratings factor in Muthoot Finance Limited's (MFL) healthy financial risk profile and the scale-up in its overall portfolio, which was largely led by the gold loan business. MFL's gold loan book has more than doubled over the last 5 years to Rs. 51,927 crore as of March 2021 and accounted for about 90% of its consolidated portfolio. The credit costs in the gold loan business have been under control, boosting the consolidated earnings performance (PAT/AMA[1] in the range of 5.5-6.5% during FY2018 to FY2021). ICRA expects the consolidated earnings performance to remain healthy as gold loans would account for about 85-90% of the overall lending portfolio. MFL's capitalisation profile, characterised by a consolidated managed gearing[2] of 3.2 times as of March 2021 (range of 3.0-3.5 times over the last 3-4 years), is also expected to remain comfortable over the medium term supported by its expected healthy accruals.

The ratings continue to factor in MFL's long track record and its leadership position in the gold loan segment, its established franchise with a pan-India branch network, and its efficient internal controls and monitoring systems. MFL's ability to raise funds from diverse sources, its current on-balance sheet liquidity and the short-term nature of the loans result in a strong liquidity profile. ICRA, however, takes note of the performance of the non-gold segments, which are of a relatively lower vintage; the sustained good quality growth and earnings performance of these segments would remain a monitorable. Some

[1] *Profit after tax (PAT) on average managed assets (AMA)*

[2] *Managed gearing = (borrowings + off-book AUM) / net worth*

of the asset segments, namely microfinance (6% of the consolidated AUM[3] as of March 2021), vehicle finance (0.6%) and affordable housing (3%) recorded higher gross stage 3 (GS3) of 2.4%, 8.6% and 4.0%, respectively, vis-à-vis 0.9% in the gold loan segment as of March 2021. Also, in view of the expected portfolio risks post the onset of the Covid-19 pandemic, these segments faced portfolio contraction (vehicle finance and affordable housing) or growth moderation (microfinance) in FY2021 vis-à-vis gold loans, which grew at 25% during this period. ICRA also takes note of the geographical concentration of the branches and the loan book in South India. South India accounts for 60% of MFL's gold loan branches, contributing about 50% to the gold loan book. A demonstrated track record in the non-gold segments and a steady improvement in geographical diversity would be key, going forward, from a rating perspective.

The Stable outlook factors in ICRA's expectation that MFL will continue to benefit from its established operational track record in the gold loan business, which is expected to account for about 85-90% of the consolidated AUM over the medium term, and its comfortable overall financial risk profile.

ICRA has also reaffirmed and withdrawn the long-term rating on the Rs. 2,265.35-crore non-convertible debenture (NCD) programme and the Rs. 69.09-crore subordinated debt programme in accordance with ICRA's policy on the withdrawal of credit ratings as the instruments have matured and have been fully repaid.

Key rating drivers and their description

Credit strengths

Established franchise and leadership position in gold loan segment – MFL has a track record of around two decades in the gold loan business and is India's largest gold loan focussed non-banking financial company (NBFC) with a total portfolio of Rs. 52,622 crore (of which 99% is gold loan) as on March 31, 2021; the portfolio grew by about 26% on a YoY basis. The consolidated portfolio stood at Rs. 58,280 crore in March 2021 compared to Rs. 46,871 crore in March 2020, of which gold, microfinance and housing accounted for 89%, 6% and 3%, respectively.

MFL operates through an extensive pan-India branch network of 4,632 as on March 31, 2021; 60% of its branches are in South India, where it has an established franchise. The strong brand value of Muthoot, its experienced promoters and senior management team, and its efficient internal controls and audit systems are expected to support its overall business growth going forward. Mr. George Jacob Muthoot was appointed as the Group Chairman in June 2021, post the sudden demise of Mr. MG George Muthoot in March 2021.

Track record of healthy earnings performance – The company's consolidated net profitability remained healthy with the annualised PAT/AMA at 6.1% in FY2021 and 6.5% in FY2020. The consolidated net profitability remained in the range of 5.5-6.5% during FY2018 to FY2021. The earnings performance is supported by the healthy yields, low credit costs (less than 1% over the last 10 years and average of 0.4%) in the gold loan business and the range-bound operating cost ratio (operating cost/AMA of 4.3-4.6% during FY2017-FY2020). The annualised net interest margin was lower in FY2021 at about 11% vis-à-vis about 13% in FY2020 and FY2019, largely because of the higher on-balance sheet liquidity. The operating profitability, however, was supported by a decline in the cost ratio to 3.3% in FY2021 from 4.3% in FY2020. Going forward, ICRA expects the margins and operating costs to inch up from the current levels, though the consolidated net profitability is expected to be maintained at around 5.0% in the medium term.

MFL's (standalone) net profitability was 6.5% in FY2021 and 6.8% in FY2020. The annualised return on average net worth (standalone) was about 28% in FY2020 and FY2021.

Capitalisation to remain comfortable over the medium term – MFL has a comfortable capitalisation profile with a standalone gearing of 3.0 times as on March 31, 2021 (3.2 times as on March 31, 2020), aided by good internal capital generation. The consolidated gearing stood at 3.2 times as of March 2021. MFL's standalone net worth was Rs. 15,239 crore as on March 31,

[3] *Assets under management*

2021 (Rs. 11,572 crore as on March 31, 2020). The company is expected to be comfortably placed to meet the medium-term capital requirements of its subsidiaries without affecting its own capital structure. ICRA expects MFL's consolidated gearing to remain in the range of 3.5-4.0 times over the medium term.

Credit challenges

Performance of non-gold segments to remain a monitorable; sizeable share of gold loans would support overall portfolio quality – MFL's standalone portfolio almost entirely consists of gold loans and it diversified its exposure via its subsidiaries, namely Belstar Microfinance Limited [Belstar – microfinance; rated [ICRA]A(Stable)], Muthoot Homefin Limited (MHL – affordable housing; rated [ICRA]A1+) and Muthoot Money Limited (MML – vehicle finance). Its consolidated portfolio is currently concentrated towards gold loans, which comprised 89% of the loan book as on March 31, 2021 while microfinance, affordable housing and vehicle finance accounted for 6%, 3% and 0.6%, respectively. The loan books of MHL and MML declined by 14% and 28%, respectively, in FY2021 due to the pandemic, while Belstar registered a YoY growth of 25% (growth of 43% in FY2020). The subsidiaries faced higher overdues with the GS3 of Belstar, MHL and MML standing at 2.4%, 4.0% and 8.6%, respectively, in March 2021 vis-à-vis 0.9%, 1.7% and 4.9%, respectively, in March 2020. The performance of the non-gold segments was impacted by the Covid-19-related disruptions because of the unsecured nature of the microfinance business and the average credit profile of the borrowers in the housing and vehicle segments.

MFL's GS3, however, was comfortable at 0.9% in March 2021 (2.2% in March 2020). ICRA notes the company's track record in containing credit costs in the gold segment and recoveries in auctions where it typically recovers the principal and a sizeable share of the accrued interest on those loans. The weighted average loan-to-value (LTV) for gold loans was 75% as of March 2021 (65% as on December 31, 2020 and 61% as on September 30, 2020), though the same declined in Q1 FY2022. While access to collateral (in case of gold loans) provides comfort, the ability to undertake timely recoveries in case the gold price movements turn adverse would be crucial. ICRA expects MFL's asset quality in the gold loan segment, which accounts for the bulk of the consolidated AUM, to remain under control with low credit costs.

Going forward, the overall asset quality and credit costs would remain under control as the subsidiaries are expected to account for about 10-15% of the consolidated portfolio over the medium term. MFL's ability to profitably grow its non-gold businesses while maintaining good asset quality would be crucial over the medium to long term, considering the unsecured nature of some of these businesses and the higher inherent risks in these segments compared to gold loans.

Operations concentrated in South India – MFL's operations are largely concentrated in South India, which constituted 60% of its total branch network and 50% of its total loan portfolio as on March 31, 2021. ICRA notes that the share of the portfolio in South India has remained at around 50-55% over the last 5 years. Geographical diversification is expected to improve steadily over the medium to long term with an improvement in the scale of the gold loan portfolio and the stabilisation of the performance of the non-gold asset segments.

Liquidity position: Strong

MFL had cash and liquid investments of Rs. 8,611 crore as on June 30, 2021, with a debt payment obligation of Rs. 11,449 crore during July 2021-September 2021. A sizeable portion of the repayments (Rs. 5,175 crore) comprise cash credit/short-term loans from banks, which are expected to be rolled over, while the commercial paper (CP) and NCD repayments are Rs. 4,360 crore and Rs. 978 crore, respectively, during the above-mentioned period. Undrawn working capital limits from banks (about Rs. 1,800 crore as of June 2021) provide further support to the company's liquidity profile.

ICRA takes note of the significant increase in overall collections and disbursements in FY2021 as borrowers rolled over (after paying their accrued interest and renewing the loan basis the prevailing LTV) their existing loans in view of the high gold prices. While the share of rolled-over loans in the overall collections and disbursements increased in FY2021, MFL's cash collections remained healthy.

The funding mix is diversified with bank/financial institution (FI) loans constituting 44% of the total borrowings as on June 30, 2021, followed by listed NCDs (28%), external commercial borrowings (ECBs; 16%), CP (9%), debentures - private placement (1%) and subordinated debt (0.4%). Diverse funding sources help the company maintain a strong liquidity position.

Rating sensitivities

Positive factors – ICRA could change the outlook or upgrade the rating if MFL sustains a comfortable overall asset quality and capital profile over the medium to long term. A long track record of good performance in the non-gold segments and improvement in geographical diversity would also positively impact the rating.

Negative factors – ICRA could change the outlook or downgrade MFL's ratings if the share of the unsecured asset segment goes beyond 15% or the asset quality weakens significantly, thereby impacting its earnings. The increase in the consolidated gearing beyond 4.5 times on a sustained basis would also negatively impact the ratings.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Rating Methodology for Non-Banking Finance Companies Policy on Withdrawal of Credit Ratings
Parent/Group Support	NA
Consolidation/Standalone	To arrive at the ratings, ICRA has considered the consolidated financials of the Muthoot Finance Group. The consolidated financials of the Group include seven subsidiaries as listed in Annexure-2

About the company

Muthoot Finance Limited (MFL) is the flagship company of the Kerala-based business house, The Muthoot Group, which has diversified operations in financial services, healthcare, real estate, education, hospitality, power generation and entertainment. MFL was incorporated in 1997 and is India's largest gold loan focussed NBFC with total loan assets (standalone) of Rs. 52,622 crore and 4,632 branches as on March 31, 2021. The company derives a major proportion of its business from South India (50% of the total portfolio as on March 31, 2021), where gold loans have traditionally been accepted as a means of availing short-term credit, although MFL has increased its presence beyond South India over the past few years.

MFL reported a standalone net profit of Rs. 3,722 crore on an asset base of Rs. 63,465 crore in FY2021 against a net profit of Rs. 3,018 crore on an asset base of Rs. 50,460 crore in FY2020.

The consolidated portfolio stood at Rs. 58,280 crore as on March 31, 2021 compared to Rs. 46,871 crore as on March 31, 2020 (Rs. 38,304 crore as on March 31, 2019), of which gold, housing and microfinance accounted for 89%, 3% and 6%, respectively.

Key financial indicators (audited)

	Standalone			Consolidated		
Muthoot Finance Limited	**FY2019**	**FY2020**	**FY2021**	**FY2019**	**FY2020**	**FY2021**
Total income (Rs. crore)	6,881	8,723	10,574	7,601	9,707	11,566
Profit after tax (Rs. crore)	1,972	3,018	3,722	2,103	3,169	3,819
Net worth (Rs. crore)	9,793	11,572	15,239	10,074	12,001	15,760
Loan book (Rs. crore)	34,933	42,604	54,063	38,726	47,068	58,809
Total managed assets (Rs. crore)	38,069	50,460	63,465	41,913	55,629	69,390
Return on managed assets (%)	5.7%	6.8%	6.5%	5.6%	6.5%	6.1%
Return on net worth (%)	22.4%	28.3%	27.8%	23.4%	28.7%	27.5%
Managed gearing (times)	2.8	3.2	3.0	3.1	3.5	3.2
Gross NPA (%)	2.7%	2.2%	0.9%	-	-	-
Net NPA (%)	2.3%	1.9%	0.8%	-	-	-
Net NPA / Net worth	8.2%	6.9%	2.6%	-	-	-
CRAR (%)	26.0%	25.5%	27.4%	-	-	-

Source: *Company, ICRA research; All ratios as per ICRA calculations*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2022)				Chronology of Rating History for the Past 3 Years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2022	Date & Rating in FY2021		Date & Rating in FY2020	Date & Rating in FY2019
				Jul 30, 2021	Mar 16, 2021	Apr 13, 2020 Jun 11, 2020 Sep 28, 2020 Dec 03, 2020	Oct 10, 2019 Jan 22, 2020 Feb 14, 2020	Jun 01, 2018 Jul 27, 2018 Dec 04, 2018 Jan 07, 2019
NCD Programme (public placement)	LT	7,787.23	7,787.23	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
		1,000.00	1,000.00	[ICRA]AA+ (Stable)	-	-	-	-
		2,265.35	0.00	[ICRA]AA+ (Stable); withdrawn	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
NCD Programme (private placement)	LT	3,730.00	3,730.00	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
Long-term Fund-based Bank Facility / CC	LT	9,572.00#	9,572.00#	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
Short-term Fund-based Bank Facilities	ST	14,983.00#	14,983.00#	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
Term Loans	LT	10,015.00	10,015.00	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
Subordinated Debenture Programme	LT	348.96	348.96	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
		69.09	0.00	[ICRA]AA+ (Stable); withdrawn	[ICRA]AA+ (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
CP Programme	ST	5,000.00	5,000.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

#Long-term and short-term fund-based limits include an interchangeable limit of Rs. 8,055 crore; total rated bank facilities stand at Rs. 26,515 crore (including Rs. 10,015.0-crore term loans); LT – Long term; ST – Short term

Complexity level of the rated instrument

Instrument	Complexity indicator
NCD Programme	Simple
Bank Facilities	Simple
Sub-debt	Moderately Complex
Commercial Paper	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (%)	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07BQ3	Non-convertible Debentures	Jan 30, 2017	9.00 & 8.75	Jan 30, 2022	11.13	[ICRA]AA+(Stable)
INE414G07BT7	Non-convertible Debentures	Jan 30, 2017	9.25 & 9.00	Jan 30, 2022	82.5	[ICRA]AA+(Stable)
INE414G07CA5	Non-convertible Debentures	Apr 24, 2017	8.75	Apr 24, 2022	61.18	[ICRA]AA+(Stable)
INE414G07CD9	Non-convertible Debentures	Apr 24, 2017	9	Apr 24, 2022	190.56	[ICRA]AA+(Stable)
INE414G07CK4	Non-convertible Debentures	Apr 19, 2018	8.75	Apr 19, 2023	56.51	[ICRA]AA+(Stable)
INE414G07CN8	Non-convertible Debentures	Apr 19, 2018	9	Apr 19, 2023	721.85	[ICRA]AA+(Stable)
INE414G07CR9	Non-convertible Debentures	Apr 19, 2018	Zero Coupon	Apr 19, 2023	205.55	[ICRA]AA+(Stable)
INE414G07CZ2	Non-convertible Debentures	Mar 20, 2019	Zero Coupon	May 20, 2022	151.74	[ICRA]AA+(Stable)
INE414G07DC9	Non-convertible Debentures	Mar 20, 2019	9.5	May 20, 2022	79.45	[ICRA]AA+(Stable)
INE414G07DF2	Non-convertible Debentures	Mar 20, 2019	9.75	May 20, 2022	73.71	[ICRA]AA+(Stable)
INE414G07DA3	Non-convertible Debentures	Mar 20, 2019	Zero Coupon	Mar 20, 2024	46.75	[ICRA]AA+(Stable)
INE414G07DD7	Non-convertible Debentures	Mar 20, 2019	9.75	Mar 20, 2024	110.64	[ICRA]AA+(Stable)
INE414G07DG0	Non-convertible Debentures	Mar 20, 2019	10	Mar 20, 2024	91.76	[ICRA]AA+(Stable)
INE414G07DI6	Non-convertible Debentures	Jun 14, 2019	9.5	Aug 14, 2022	87.16	[ICRA]AA+(Stable)
INE414G07DL0	Non-convertible Debentures	Jun 14, 2019	9.75	Aug 14, 2022	71.27	[ICRA]AA+(Stable)
INE414G07DO4	Non-convertible Debentures	Jun 14, 2019	Zero Coupon	Aug 14, 2022	157.29	[ICRA]AA+(Stable)
INE414G07DJ4	Non-convertible Debentures	Jun 14, 2019	9.75	Jun 14, 2024	105.81	[ICRA]AA+(Stable)
INE414G07DM8	Non-convertible Debentures	Jun 14, 2019	10	Jun 14, 2024	179.47	[ICRA]AA+(Stable)
INE414G07DP1	Non-convertible Debentures	Jun 14, 2019	Zero Coupon	Jun 14, 2024	20.82	[ICRA]AA+(Stable)
INE414G07DQ9	Non-convertible Debentures	Jun 14, 2019	Zero Coupon	Dec 14, 2026	32.24	[ICRA]AA+(Stable)
INE414G07DT3	Non-convertible Debentures	Nov 01, 2019	9.25	Nov 01, 2021	45.56	[ICRA]AA+(Stable)
INE414G07DU1	Non-convertible Debentures	Nov 01, 2019	9.5	Jan 01, 2023	53.73	[ICRA]AA+(Stable)
INE414G07DV9	Non-convertible Debentures	Nov 01, 2019	Zero Coupon	Nov 01, 2024	89.82	[ICRA]AA+(Stable)
INE414G07DW7	Non-convertible Debentures	Nov 01, 2019	9.5	Nov 01, 2021	54.83	[ICRA]AA+(Stable)
INE414G07DX5	Non-convertible Debentures	Nov 01, 2019	9.75	Jan 01, 2023	40.99	[ICRA]AA+(Stable)
INE414G07DY3	Non-convertible Debentures	Nov 01, 2019	Zero Coupon	Nov 01, 2024	53.62	[ICRA]AA+(Stable)
INE414G07DZ0	Non-convertible Debentures	Nov 01, 2019	9.75	Nov 01, 2021	26.05	[ICRA]AA+(Stable)
INE414G07EA1	Non-convertible Debentures	Nov 01, 2019	10	Jan 01, 2023	38.02	[ICRA]AA+(Stable)
INE414G07EB9	Non-convertible Debentures	Nov 01, 2019	Zero Coupon	Nov 01, 2024	14	[ICRA]AA+(Stable)
INE414G07EC7	Non-convertible Debentures	Nov 01, 2019	Zero Coupon	May 01, 2027	43.2	[ICRA]AA+(Stable)
INE414G07EH6	Non-convertible Debentures	Dec 27, 2019	9.25	Dec 27, 2021	63.8	[ICRA]AA+(Stable)
INE414G07EI4	Non-convertible Debentures	Dec 27, 2019	9.5	Feb 27, 2023	54.69	[ICRA]AA+(Stable)
INE414G07EJ2	Non-convertible Debentures	Dec 27, 2019	Zero Coupon	Dec 27, 2024	81.83	[ICRA]AA+(Stable)
INE414G07EK0	Non-convertible Debentures	Dec 27, 2019	9.5	Dec 27, 2021	285.72	[ICRA]AA+(Stable)
INE414G07EL8	Non-convertible Debentures	Dec 27, 2019	9.75	Feb 27, 2023	117.08	[ICRA]AA+(Stable)
INE414G07EM6	Non-convertible Debentures	Dec 27, 2019	Zero Coupon	Dec 27, 2024	54.38	[ICRA]AA+(Stable)
INE414G07ED5	Non-convertible Debentures	Dec 27, 2019	9.75	Dec 27, 2021	34.47	[ICRA]AA+(Stable)
INE414G07EE3	Non-convertible Debentures	Dec 27, 2019	10	Feb 27, 2023	40.78	[ICRA]AA+(Stable)
INE414G07EF0	Non-convertible Debentures	Dec 27, 2019	Zero Coupon	Dec 27, 2024	12.66	[ICRA]AA+(Stable)
INE414G07EG8	Non-convertible Debentures	Dec 27, 2019	Zero Coupon	Jun 27, 2027	44.6	[ICRA]AA+(Stable)
INE414G07FD2	Non-convertible Debentures	Nov 05, 2020	7.15 & 7.40	Jan 05, 2024	24.04	[ICRA]AA+(Stable)
INE414G07FE0	Non-convertible Debentures	Nov 05, 2020	7.50 & 7.75	Nov 05, 2025	37.32	[ICRA]AA+(Stable)
INE414G07FF7	Non-convertible Debentures	Nov 05, 2020	7.40 & 7.65	Jan 05, 2024	1,773.86	[ICRA]AA+(Stable)
INE414G07FG5	Non-convertible Debentures	Nov 05, 2020	7.75 & 8.00	Nov 05, 2025	75.71	[ICRA]AA+(Stable)
INE414G07FH3	Non-convertible Debentures	Nov 05, 2020	Zero Coupon	Jan 05, 2024	59.55	[ICRA]AA+(Stable)
INE414G07FI1	Non-convertible Debentures	Nov 05, 2020	Zero Coupon	Nov 05, 2025	29.52	[ICRA]AA+(Stable)
INE414G07FJ9	Non-convertible Debentures	Jan 11, 2021	7.15 & 6.75	Mar 11, 2024	43.3	[ICRA]AA+(Stable)
INE414G07FK7	Non-convertible Debentures	Jan 11, 2021	7.50 & 7.10	Jan 11, 2026	43.03	[ICRA]AA+(Stable)
INE414G07FL5	Non-convertible Debentures	Jan 11, 2021	7.40 & 7.00	Mar 11, 2024	62.69	[ICRA]AA+(Stable)
INE414G07FM3	Non-convertible Debentures	Jan 11, 2021	7.75 & 7.35	Jan 11, 2026	55.38	[ICRA]AA+(Stable)
INE414G07FN1	Non-convertible Debentures	Jan 11, 2021	Zero Coupon	Mar 11, 2024	43.62	[ICRA]AA+(Stable)
INE414G07FO9	Non-convertible Debentures	Jan 11, 2021	Zero Coupon	Jan 11, 2026	44.96	[ICRA]AA+(Stable)
INE414G07FQ4	Non-convertible Debentures	Apr 20,2021	7.10 & 6.85	Jun 20,2024	10.5	[ICRA]AA+(Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (%)	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07FR2	Non-convertible Debentures	Apr 20,2021	7.60 & 7.35	Apr 20,2026	17.16	[ICRA]AA+(Stable)
INE414G07FS0	Non-convertible Debentures	Apr 20,2021	6.85 & 6.60	Jun 20,2023	384.89	[ICRA]AA+(Stable)
INE414G07FT8	Non-convertible Debentures	Apr 20,2021	7.35 & 7.10	Jun 20,2024	596.54	[ICRA]AA+(Stable)
INE414G07FU6	Non-convertible Debentures	Apr 20,2021	7.85 & 7.60	Apr 20,2026	384.81	[ICRA]AA+(Stable)
INE414G07FV4	Non-convertible Debentures	Apr 20,2021	8.25 & 8.00	Apr 20,2031	229.05	[ICRA]AA+(Stable)
INE414G07FW2	Non-convertible Debentures	Apr 20,2021	Zero Coupon	Jun 20,2024	15.28	[ICRA]AA+(Stable)
INE414G07FX0	Non-convertible Debentures	Apr 20,2021	Zero Coupon	Apr 20,2026	61.77	[ICRA]AA+(Stable)
Unallocated	NCD Programme (public) - Yet to be placed	-	-	-	1,007.03	[ICRA]AA+(Stable)
	Total – NCD Programme (public)				**8,787.23**	
INE414G07BC3	Non-convertible Debentures	May 12, 2016	9.00 & 8.25	May 12, 2021	1.75	[ICRA]AA+(Stable); reaffirmed and withdrawn
INE414G07BF6	Non-convertible Debentures	May 12, 2016	9.25 & 8.50	May 12, 2021	1.26	
INE414G07CJ6	Non-convertible Debentures	Apr 19, 2018	8.5	Jun 19, 2021	27.11	
INE414G07CM0	Non-convertible Debentures	Apr 19, 2018	8.75	Jun 19, 2021	1,862.45	
INE414G07CQ1	Non-convertible Debentures	Apr 19, 2018	Zero Coupon	Jun 19, 2021	19.73	
INE414G07CY5	Non-convertible Debentures	Mar 20, 2019	Zero Coupon	Mar 20, 2021	36.01	
INE414G07DB1	Non-convertible Debentures	Mar 20, 2019	9.25	Mar 20, 2021	40.12	
INE414G07DE5	Non-convertible Debentures	Mar 20, 2019	9.5	Mar 20, 2021	79.28	
INE414G07DH8	Non-convertible Debentures	Jun 14, 2019	9.25	Jun 14, 2021	72.76	
INE414G07DK2	Non-convertible Debentures	Jun 14, 2019	9.5	Jun 14, 2021	94.59	
INE414G07DN6	Non-convertible Debentures	Jun 14, 2019	Zero Coupon	Jun 14, 2021	30.29	
INE414G07CS7	NCD Programme (private)	Jul 26, 2018	9.75	Jul 26, 2021	175.00	[ICRA]AA+(Stable)
INE414G07CW9	NCD Programme (private)	Nov 22, 2018	9.5	Feb 01, 2022	90.00	[ICRA]AA+(Stable)
INE414G07CX7	NCD Programme (private)	Nov 22, 2018	9.75	Feb 01, 2022	40.00	[ICRA]AA+(Stable)
INE414G07DR7	NCD Programme (private)	Sep 06, 2019	10	Sep 06, 2021	550.00	[ICRA]AA+(Stable)
INE414G07DS5	NCD Programme (private)	Sep 06, 2019	10	Sep 06, 2021	200.00	[ICRA]AA+(Stable)
INE414G07EN4	NCD Programme (private)	Dec 30, 2019	9.5	Jan 30, 2022	250.00	[ICRA]AA+(Stable)
INE414G07EO2	NCD Programme (private)	Dec 30, 2019	9.5	Jan 06, 2022	250.00	[ICRA]AA+(Stable)
INE414G07ET1	NCD Programme (private)	Jun 18, 2020	9.5	Jun 18, 2025	125.00	[ICRA]AA+(Stable)
INE414G07EX3	NCD Programme (private)	Jul 15, 2020	8.4	Jul 15, 2023	100.00	[ICRA]AA+(Stable)
INE414G07FC4	NCD Programme (private)	Oct 16, 2020	7.5	Oct 16, 2023	460.00	[ICRA]AA+(Stable)
INE414G07FY8	NCD Programme (private)	May 31, 2021	7.9	May 30, 2031	150.00	[ICRA]AA+(Stable)
Unallocated	NCD Programme (private) - Yet to be placed	-	-	-	1,340.00	[ICRA]AA+(Stable)
	Total – NCD Programme (private)				**3,730.00**	
INE414G08264	Subordinated Debt	Sep 26, 2014	Zero Coupon	Mar 26, 2021	30.44	[ICRA]AA+(Stable); reaffirmed and withdrawn
INE414G08272	Subordinated Debt	Dec 29, 2014	Zero Coupon	Jun 29, 2021	38.65	
INE414G09015	Subordinated Debt	Mar 26, 2013	12.35	Mar 26, 2023	10.00	[ICRA]AA+(Stable)
INE414G08280	Subordinated Debt	Apr 23, 2015	Zero Coupon	Jan 23, 2022	28.91	[ICRA]AA+(Stable)
INE414G08298	Subordinated Debt	Oct 14, 2015	Zero Coupon	Oct 14, 2022	35.95	[ICRA]AA+(Stable)
INE414G08314	Subordinated Debt	May 12, 2016	Zero Coupon	Nov 12, 2023	23.60	[ICRA]AA+(Stable)
INE414G08330	Subordinated Debt	Jan 30, 2017	Zero Coupon	Jan 30, 2025	31.78	[ICRA]AA+(Stable)
INE414G08348	Subordinated Debt	Apr 24, 2017	Zero Coupon	Apr 24, 2025	18.72	[ICRA]AA+(Stable)
Unallocated	Subordinated Debt - Yet to be placed	-	-	-	200.00	[ICRA]AA+(Stable)
	Total – Subordinated Debt				**348.96**	
INE414G14QY1	Commercial Paper	Mar 23,2021	4.35	Sep 20, 2021	150	[ICRA]A1+
INE414G14QY1	Commercial Paper	Mar 23,2021	4.35	Sep 20, 2021	150	[ICRA]A1+
INE414G14QZ8	Commercial Paper	Mar 24,2021	4.35	Sep 22, 2021	300	[ICRA]A1+
INE414G14RA9	Commercial Paper	Mar 25,2021	4.25	Sep 23, 2021	135	[ICRA]A1+
INE414G14RE1	Commercial Paper	Apr 23,2021	3.8	Jul 23, 2021	200	[ICRA]A1+
INE414G14RE1	Commercial Paper	Apr 23,2021	3.8	Jul 23, 2021	200	[ICRA]A1+
INE414G14RD3	Commercial Paper	Apr 26,2021	3.8	Jul 26, 2021	100	[ICRA]A1+
INE414G14RD3	Commercial Paper	Apr 26,2021	3.8	Jul 26, 2021	200	[ICRA]A1+

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (%)	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G14RI2	Commercial Paper	May 10,2021	3.69	Aug 09, 2021	250	[ICRA]A1+
INE414G14RH4	Commercial Paper	May 11,2021	3.69	Aug 10, 2021	100	[ICRA]A1+
INE414G14RH4	Commercial Paper	May 11,2021	3.69	Aug 10, 2021	200	[ICRA]A1+
INE414G14RG6	Commercial Paper	May 12,2021	3.69	Aug 11, 2021	250	[ICRA]A1+
INE414G14RK8	Commercial Paper	May 20,2021	3.75	Aug 18, 2021	175	[ICRA]A1+
INE414G14RK8	Commercial Paper	May 20,2021	3.75	Aug 18, 2021	50	[ICRA]A1+
INE414G14RJ0	Commercial Paper	May 21,2021	3.75	Aug 17, 2021	200	[ICRA]A1+
INE414G14RJ0	Commercial Paper	May 21,2021	3.75	Aug 17, 2021	75	[ICRA]A1+
INE414G14RJ0	Commercial Paper	May 21,2021	3.75	Aug 17, 2021	100	[ICRA]A1+
INE414G14RL6	Commercial Paper	May 28,2021	3.8	Aug 27, 2021	100	[ICRA]A1+
INE414G14RM4	Commercial Paper	Jun 01,2021	3.8	Aug 31, 2021	225	[ICRA]A1+
INE414G14RO0	Commercial Paper	Jun 28,2021	3.78	Aug 27, 2021	150	[ICRA]A1+
INE414G14RO0	Commercial Paper	Jun 28,2021	3.78	Aug 27, 2021	150	[ICRA]A1+
INE414G14RN2	Commercial Paper	Jun 29,2021	3.78	Aug 28, 2021	150	[ICRA]A1+
INE414G14RN2	Commercial Paper	Jun 29,2021	3.78	Aug 28, 2021	150	[ICRA]A1+
INE414G14RP7	Commercial Paper	Jun 30,2021	3.78	Aug 29, 2021	150	[ICRA]A1+
INE414G14RP7	Commercial Paper	Jun 30,2021	3.78	Aug 29, 2021	100	[ICRA]A1+
INE414G14RR3	Commercial Paper	Jul 16,2021	3.9	Oct 13,2021	190	[ICRA]A1+
INE414G14RQ5	Commercial Paper	Jul 16,2021	3.9	Oct 18,2021	400	[ICRA]A1+
NA	Commercial Paper - Yet to be placed	NA	NA	7-365 days	400	[ICRA]A1+
	Total – Commercial Paper	**-**	**-**	**-**	**5,000.00**	
NA	Term Loans	-	-	-	10,015.00	[ICRA]AA+(Stable)
NA	Long-term Bank Facilities	-	-	-	9,572.00#	[ICRA]AA+(Stable)
NA	Short-term Bank Facilities	-	-	-	14,983.00#	[ICRA]A1+
	Total – Bank Facilities	**-**	**-**	**-**	**26,515.00**	

Source: *Company; # Long-term and short-term fund-based limits include an interchangeable limit of Rs. 8,055 crore; total rated bank facilities stand at Rs. 26,515 crore (including Rs. 10,015.0-crore term loans)*

Annexure-2: List of entities considered for consolidated analysis

Company Name	MFL Ownership	Consolidation Approach
Muthoot Finance Limited	Parent	Full consolidation
Muthoot Homefin (India) Limited	100%	Full consolidation
Muthoot Insurance Brokers Private Limited	100%	Full consolidation
Muthoot Money Limited	100%	Full consolidation
Muthoot Trustee Private Limited	100%	Full consolidation
Muthoot Asset Management Private Limited	100%	Full consolidation
Belstar Microfinance Limited	70.01%	Full consolidation
Asia Asset Finance PLC	72.92%	Full consolidation

Source: *MFL*

Corrigendum

The rating rationale document dated July 30, 2021 has been corrected with the revision as detailed below:

1) Changes made in Page-6 (under Rating history for past three years).

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