Muthoot Finance Limited

January 07, 2019

Summary of rating action

Instrument^^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture Programme (public placement) - allocated	-	4,000.0	[ICRA]AA(Stable); Assigned
Non-convertible Debenture Programme (private placement) - unallocated	1,525.00	1,475.00	[ICRA]AA(Stable); Outstanding
Non-convertible Debenture Programme (private placement) - allocated	475.00	525.00	[ICRA]AA(Stable); Outstanding
Non-convertible Debenture Programme (public placement) - allocated	6,523.72	6,523.72	[ICRA]AA(Stable); Outstanding
Non-convertible Debenture Programme (public placement) - allocated	3.92	0.00	[ICRA]AA(Stable); Withdrawn*
Long-term Fund-based Bank Facilities	9,962.00#	9,962.00#	[ICRA]AA(Stable); Outstanding
Short-term Fund-based Bank Facilities	13,153.00#	13,153.00#	[ICRA]A1+; Outstanding
Term Loans	200.00	200.00	[ICRA]AA(Stable); Outstanding
Subordinated Debenture Programme	551.36	551.36	[ICRA]AA(Stable); Outstanding
Commercial Paper Programme	5,000.00	5,000.00	[ICRA]A1+; Outstanding
Total**	**28,194.00**	**32,190.08**	

^^ Instrument details are provided in Annexure-1

 # Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 9,200.00 crore; the total rated bank facilities stand at Rs. 14,115.00 crore (including Rs. 200.0-crore term loans)

**ICRA has withdrawn the long-term rating of [ICRA]AA for MFL's non-convertible debenture (NCD) programme aggregating Rs. 3.92 crore as these debentures were fully redeemed and there is no outstanding against the rated instruments*

*** For the computation of total limits rated, total rated bank facilities (term loans, long-term and short-term bank limits) of Rs. 14,115 crore have been considered*

Rationale

The ratings factor in Muthoot Finance Limited's (MFL) long-standing 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 audit systems. The ratings also consider the company's comfortable capitalisation, ability to raise funds from diverse sources and good profitability indicators. ICRA takes note of the Group's portfolio diversification initiatives via its subsidiaries. Ability to grow the non-gold loan portfolio profitably would be critical over the medium term as the share of the non-gold business is expected to increase to 20% by March 2020 from 11% in September 2018.

The ratings are, however, constrained by the portfolio concentration in the gold loan business, MFL's geographically concentrated operations, and the vulnerability of its operations to adverse gold price fluctuations. The ratings also factor in the company's marginal borrower profile and limited earnings diversity. ICRA takes note of the improvement in MFL's delinquency levels in H1 FY2019 and believes it is critical to ensure collections from the overdue portfolio in the near term to keep the asset quality indicators under control.

Outlook: Stable

ICRA believes that MFL will continue to benefit from its established track record and comfortable overall financial risk profile. The outlook may be revised to Positive if the company demonstrates good quality and profitable growth in its non-gold business and controls the asset quality of the gold loan portfolio, while maintaining a comfortable overall capital and liquidity profile. The outlook may be revised to Negative in case of a significant deterioration in the Group's asset quality, profitability and capitalisation profile.

Key rating drivers

Credit strengths

Established franchise and market leadership 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 NBFC with a total portfolio of Rs. 32,319 crore (of which 99% is gold loan) as on September 30, 2018 (Rs. 29,138 crore as on March 31, 2018). The consolidated portfolio stood at Rs. 35,956 crore in September 2018, of which gold, housing and microfinance accounted for 89%, 5% and 4%, respectively. The company operates through an extensive pan-India branch network of 4,370 as on September 30, 2018 with 62% of its branches being in South India, where it has a good 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.

Healthy profitability indicators – The company's consolidated net profitability remained healthy with PAT/AMA at 5.4% (4.1% in FY2017) and return on average net worth at about 24.9% for FY2018. PAT/AMA (standalone) stood at 5.9% in H1 FY2019 (provisional), supported by healthy margins and operating efficiencies. Credit costs remained under control as the company fully recovered its principal and over 73% of the total interest receivable during the auctions in FY2018.

Capitalisation to remain comfortable over the medium term notwithstanding the investments required for its subsidiaries – MFL has a comfortable capitalisation profile with a standalone gearing of about 2.9 times as on March 31, 2018 (consolidated gearing of about 3.2 times) aided by good internal capital generation, while portfolio growth was relatively moderate. MFL's standalone net worth was Rs. 8,390 crore (as per Ind AS) as on September 30, 2018. It is expected to be comfortably placed to meet the medium-term capital requirements of its subsidiaries without adversely impacting its own capital structure.

Credit challenges

Vulnerability to adverse gold price movement – Notwithstanding its efforts to reduce the impact of gold price fluctuations, MFL's credit profile remains susceptible to adverse and sharp movements in gold prices. Any steep decline in gold prices is expected to adversely impact the company's asset quality and business profile.

Concentration on gold loan segment, limited product and revenue diversification – MFL's standalone portfolio almost entirely consists of gold loans and its consolidated portfolio is also concentrated with gold loans comprising 89% of the loan book as on September 30, 2018. The company's revenue diversification is also modest with non-interest income/average total assets at 0.6% in FY2018. Consolidated assets under management (AUM) stood at Rs. 32,159 crore (Rs. 35,956 crore as on September 30, 2018), registering a 12% growth (y-o-y) in FY2018. The share of subsidiaries was about 10% of the total AUM (March 2018), up from about 5% in March 2017. The overall portfolio growth in FY2018 was supported by the strong growth witnessed in the housing and microfinance subsidiaries, while the gold loan portfolio grew a modest 6%. Microfinance AUM almost doubled in FY2018 while housing AUM more than tripled during this period. The consolidated portfolio grew by 12% in H1 FY2019. Going forward, the share of subsidiaries is expected to increase to about 20% by March 2020 as they are expected to grow at a robust pace while gold loan growth is expected to remain relatively moderate. The company's ability to profitably grow its non-gold business while maintaining good asset quality would be crucial.

Critical to control credit costs in gold loan segment – MFL's standalone asset quality improved in H1 FY2019. The stage 3 (as per Ind AS) reduced to 1.9% as on September 30, 2018 from 4.4% as on March 31, 2018 as loan collections improved. MFL's standalone NPA (as per I GAAP) declined to 4.56% in June 2018 from 6.98% in March 2018 (2.06% in March 2017); it reduced further in Q2 FY2019.

The increase in NPAs in FY2018 was because of the inclusion of other standard accounts of a non-performing borrower for NPA computation and transition in the NPA recognition norm to 90+dpd from 120+dpd. Auctioning, as a percentage of the opening portfolio, had reduced to 3.7% in FY2017 from 14.2% in FY2016. However, the same increased to 7.2% in FY2018 with a build-up in overdues. ICRA takes note of the additional standard asset provision and a gold price fluctuation provision totalling about Rs. 463 crore (1.5% of the gold loan portfolio) as on March 31, 2018, which, along with the liquid nature of the collateral, provide comfort. Going forward, timely collection, auctioning and a stable gold price would be critical for keeping delinquencies and credit costs under control. Gross NPAs in the housing and microfinance subsidiaries were, however, under control at 0.4% and 0.8%, respectively, as on March 31, 2018 (0.8% and 0.9%, respectively, as on September 30, 2018).

Operations concentrated in South India – MFL's operations are largely concentrated in South India, which constituted 62% of its total branch network and 50% of its total loan portfolio as on March 31, 2018. ICRA, however, notes that the share of the portfolio in South India has reduced from 69% in March 2012.

Liquidity position

MFL's asset liability maturity (ALM) profile, based on the past behavioural trend for the gold loan segment, reflects no cumulative negative mismatches in the <1-year bucket. Although the contractual tenor of gold loans is 12 months, most (~65-70%) of the loans are repaid or rolled over within 5-6 months. ICRA notes that company is faced with 15-20% loan rollovers in each of the maturity buckets, wherein only the interest is serviced, and the loan gets renewed based on the prevailing loan to value. ICRA notes that the ALM, adjusting for the rollovers, is also comfortable with no cumulative negative mismatch in the <1-year bucket.

MFL has a fairly-diversified funding profile with bank loans constituting 49% of its total borrowings as on September 30, 2018, followed by debentures - public issue (31%), debentures - private placement (3%), commercial papers (12%) and subordinated debt (3%). MFL has banking relationships with 27 banks. Diverse funding sources help the company in maintaining a comfortable liquidity position. MFL had unutilised bank limits of Rs. 1,011 crore and cash and liquidity investments of Rs. 2,293 crore as on November 30, 2018.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies
Parent/Group Support	NA
Consolidation	For arriving at the ratings, ICRA has considered the consolidated financials of MFL. As on March 31, 2018, the company had four subsidiaries, that are 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. 29,134 crore and 4,325 branches as on March 31, 2018. While the company derives a major portion of its business from South India (50% of the total portfolio as on March 31, 2018), where gold loans have traditionally been accepted as a means of availing short-term credit, it has increased its presence beyond South India over the past few years.

MFL achieved a standalone net profit of Rs. 1,720 crore on an asset base of Rs. 31,382 crore in FY2018 against a net profit of Rs. 1,180 crore on an asset base of Rs. 30,713 crore in FY2017.

MFL reported a consolidated net profit of Rs. 1,799 crore on a consolidated asset base of Rs. 34,257 crore in FY2018 against a net profit of Rs. 1,207 crore on a consolidated asset base of Rs. 32,163 crore in FY2017.

Key financial indicators (audited)

	Standalone		Consolidated	
	FY2017	FY2018	FY2017	FY2018
Total Income	5,747	6,243	5,939	6,705
Profit after Tax*	1,180	1,720	1,200	1,784
Net Worth	6,516	7,760	6,517	7,794
Total Managed Portfolio	27,279	29,138	28,661	32,159
Total Managed Assets	30,713	31,382	32,163	34,257
Return on Average Managed Assets	4.1%	5.5%	4.1%	5.4%
Return on Average Net Worth	19.4%	24.1%	19.9%	24.9%
Gross NPA %	2.1%	7.0%	-	-
Net NPA %	1.7%	6.2%	-	-
Net NPA / Net Worth	7.1%	23.1%	-	-
Gearing (reported)	3.5	2.9	3.7	3.2
% CRAR	24.9%	26.6%	-	-

*Note: Amount in Rs. crore; *After minority interest*
Source: MFL's financial statements, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

	Instrument	Type	Current Rating (FY2019) Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	January 2019	December 2018	Chronology of Rating History for the Past 3 Years FY2018 October 2017	FY2017 August 2016	FY2016 February 2016
1	Long-term Debentures-Public Issue	Long Term	4,000.00	4,000.00	[ICRA]AA (Stable)	-	-	-	-
2	Long-term Debentures-Private Placement	Long Term	2,000.00	2,000.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
3	Long-term Debentures-Public Issue	Long Term	6,523.72	6,523.72	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
4	Long term Debentures-Public Issue	Long Term	3.92	0.00	[ICRA]AA (Stable) Withdrawn	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
5	Subordinated Debt	Long term	551.36	551.36	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
6	Term Loans	Long Term	200.00	200.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
7	Fund-based Bank Limits^	Long Term	9,962.00	9,962.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
8	Fund-based Bank Limits^	Short Term	13,153.00	13,153.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
9	Commercial Paper	Short Term	5,000.00	5,000.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

^ Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 9,200.00 crore; the total rated bank facilities are Rs. 14,115.00 crore (including Rs. 200.00-crore term loans)

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN No.	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07472	Non-convertible Debentures	4-Feb-14	10.75 & 11.50	4-Feb-19	1.03	[ICRA]AA(Stable)
INE414G07506	Non-convertible Debentures	4-Feb-14	11.25 & 12.00	4-Feb-19	1.63	[ICRA]AA(Stable)
INE414G07548	Non-convertible Debentures	4-Feb-14	Zero Coupon	4-Feb-19	1.13	[ICRA]AA(Stable)
INE414G07571	Non-convertible Debentures	2-Apr-14	10.25 & 11.00	2-Apr-19	0.69	[ICRA]AA(Stable)
INE414G07605	Non-convertible Debentures	2-Apr-14	10.75 & 11.50	2-Apr-19	0.35	[ICRA]AA(Stable)
INE414G07647	Non-convertible Debentures	2-Apr-14	Zero Coupon	2-Apr-19	0.27	[ICRA]AA(Stable)
INE414G07670	Non-convertible Debentures	4-Jul-14	10.25 & 11.00	4-Jul-19	2.88	[ICRA]AA(Stable)
INE414G07704	Non-convertible Debentures	4-Jul-14	10.75 & 11.50	4-Jul-19	3.22	[ICRA]AA(Stable)
INE414G07746	Non-convertible Debentures	4-Jul-14	Zero Coupon	4-Jul-19	1.86	[ICRA]AA(Stable)
INE414G07779	Non-convertible Debentures	26-Sep-14	10.25 & 11.00	26-Sep-19	3.00	[ICRA]AA(Stable)
INE414G07803	Non-convertible Debentures	26-Sep-14	10.50 & 11.25	26-Sep-19	1.72	[ICRA]AA(Stable)
INE414G07845	Non-convertible Debentures	26-Sep-14	Zero Coupon	26-Sep-19	1.56	[ICRA]AA(Stable)
INE414G07878	Non-convertible Debentures	29-Dec-14	10.00& 10.75	29-Dec-19	2.69	[ICRA]AA(Stable)
INE414G07902	Non-convertible Debentures	29-Dec-14	10.25 & 11.00	29-Dec-19	2.13	[ICRA]AA(Stable)
INE414G07944	Non-convertible Debentures	29-Dec-14	Zero Coupon	29-Dec-19	2.23	[ICRA]AA(Stable)
INE414G07977	Non-convertible Debentures	23-Apr-15	9.50 & 10.25	23-Apr-20	2.35	[ICRA]AA(Stable)
INE414G07AA9	Non-convertible Debentures	23-Apr-15	9.75 & 10.50	23-Apr-20	2.38	[ICRA]AA(Stable)
INE414G07AE1	Non-convertible Debentures	23-Apr-15	Zero Coupon	23-Apr-20	1.27	[ICRA]AA(Stable)
INE414G07AH4	Non-convertible Debentures	14-Oct-15	8.75 & 9.50	14-Oct-20	1.15	[ICRA]AA(Stable)
INE414G07AK8	Non-convertible Debentures	14-Oct-15	9.00 & 9.75	14-Oct-20	0.98	[ICRA]AA(Stable)
INE414G07AO0	Non-convertible Debentures	14-Oct-15	Zero Coupon	14-Oct-20	1.07	[ICRA]AA(Stable)
INE414G07BB5	Non-convertible Debentures	12-May-16	9.50 & 8.75	12-May-19	141.85	[ICRA]AA(Stable)
INE414G07BC3	Non-convertible Debentures	12-May-16	9.00 & 8.25	12-May-21	1.75	[ICRA]AA(Stable)
INE414G07BE9	Non-convertible Debentures	12-May-16	9.75 & 9.00	12-May-19	99.98	[ICRA]AA(Stable)
INE414G07BF6	Non-convertible Debentures	12-May-16	9.25 & 8.50	12-May-21	1.26	[ICRA]AA(Stable)
INE414G07BJ8	Non-convertible Debentures	12-May-16	Zero Coupon	12-May-19	60.41	[ICRA]AA(Stable)
INE414G07BO8	Non-convertible Debentures	30-Jan-17	8.75 & 8.50	30-Jan-19	5.21	[ICRA]AA(Stable)
INE414G07BP5	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-20	26.43	[ICRA]AA(Stable)
INE414G07BQ3	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-22	11.13	[ICRA]AA(Stable)
INE414G07BR1	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-19	282.20	[ICRA]AA(Stable)
INE414G07BS9	Non-convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-20	839.27	[ICRA]AA(Stable)
INE414G07BT7	Non-convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-22	82.50	[ICRA]AA(Stable)
INE414G07BW1	Non-convertible Debentures	30-Jan-17	Zero Coupon	30-Jan-19	5.03	[ICRA]AA(Stable)
INE414G07BX9	Non-convertible Debentures	30-Jan-17	Zero Coupon	30-Jan-20	17.20	[ICRA]AA(Stable)
INE414G07BY7	Non-convertible Debentures	24-Apr-17	8.25	24-Apr-19	45.28	[ICRA]AA(Stable)
INE414G07BZ4	Non-convertible Debentures	24-Apr-17	8.5	24-Jun-20	68.68	[ICRA]AA(Stable)
INE414G07CA5	Non-convertible Debentures	24-Apr-17	8.75	24-Apr-22	61.18	[ICRA]AA(Stable)
INE414G07CB3	Non-convertible Debentures	24-Apr-17	8.5	24-Apr-19	74.25	[ICRA]AA(Stable)
INE414G07CC1	Non-convertible Debentures	24-Apr-17	8.75	24-Jun-20	1420.43	[ICRA]AA(Stable)
INE414G07CD9	Non-convertible Debentures	24-Apr-17	9	24-Apr-22	190.56	[ICRA]AA(Stable)
INE414G07CG2	Non-convertible Debentures	24-Apr-17	Zero Coupon	24-Apr-19	15.50	[ICRA]AA(Stable)
INE414G07CH0	Non-convertible Debentures	24-Apr-17	Zero Coupon	24-Jun-20	38.03	[ICRA]AA(Stable)
INE414G07CI8	Non-convertible Debentures	19-Apr-18	8.25	19-Apr-20	11.98	[ICRA]AA(Stable)
INE414G07CJ6	Non-convertible Debentures	19-Apr-18	8.5	19-Jun-21	27.11	[ICRA]AA(Stable)
INE414G07CK4	Non-convertible Debentures	19-Apr-18	8.75	19-Apr-23	56.51	[ICRA]AA(Stable)
INE414G07CL2	Non-convertible Debentures	19-Apr-18	8.5	19-Apr-20	71.61	[ICRA]AA(Stable)
INE414G07CM0	Non-convertible Debentures	19-Apr-18	8.75	19-Jun-21	1862.45	[ICRA]AA(Stable)

ISIN No.	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07CN8	Non-convertible Debentures	19-Apr-18	9	19-Apr-23	721.85	[ICRA]AA(Stable)
INE414G07CO6	Non-convertible Debentures	19-Apr-18	Zero Coupon	24-May-19	14.41	[ICRA]AA(Stable)
INE414G07CP3	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Apr-20	8.80	[ICRA]AA(Stable)
INE414G07CQ1	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Jun-21	19.73	[ICRA]AA(Stable)
INE414G07CR9	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Apr-23	205.55	[ICRA]AA(Stable)
INE414G07CS7	Non-convertible Debentures (private)	26-Jul-18	9.75	26-Jul-21	175.00	[ICRA]AA(Stable)
INE414G07CT5	Non-convertible Debentures (private)	13-Aug-18	9.6	22-Jun-20	250.00	[ICRA]AA(Stable)
INE414G07CU3	Non-convertible Debentures (private)	22-Nov-18	9.25	1-Feb-21	7.00	[ICRA]AA(Stable)
INE414G07CV1	Non-convertible Debentures (private)	22-Nov-18	9.5	1-Feb-21	8.00	[ICRA]AA(Stable)
INE414G07CW9	Non-convertible Debentures (private)	22-Nov-18	9.5	1-Feb-22	45.00	[ICRA]AA(Stable)
INE414G07CX7	Non-convertible Debentures (private)	22-Nov-18	9.75	1-Feb-22	40.00	[ICRA]AA(Stable)
NA	Non-convertible Debentures (private)##	-	-	-	1475.00	[ICRA]AA(Stable)
NA	Non-convertible Debentures (public)##	-	-	-	4000.00	[ICRA]AA(Stable)
Total Non-Convertible Debentures					**12,523.72**	
Subordinated Debt						
INE414G09015	Subordinated Debt	26-Mar-13	12.35	26-Mar-23	10.00	[ICRA]AA(Stable)
INE414G08215	Subordinated Debt	25-Sep-13	Zero Coupon	25-Sep-19	20.97	[ICRA]AA(Stable)
INE414G08223	Subordinated Debt	4-Dec-13	Zero Coupon	4-Dec-19	23.29	[ICRA]AA(Stable)
INE414G08231	Subordinated Debt	4-Feb-14	Zero Coupon	4-Feb-20	43.76	[ICRA]AA(Stable)
INE414G08249	Subordinated Debt	2-Apr-14	Zero Coupon	2-Jul-20	19.35	[ICRA]AA(Stable)
INE414G08256	Subordinated Debt	4-Jul-14	Zero Coupon	4-Oct-20	36.45	[ICRA]AA(Stable)
INE414G08264	Subordinated Debt	26-Sep-14	Zero Coupon	26-Mar-21	30.44	[ICRA]AA(Stable)
INE414G08272	Subordinated Debt	29-Dec-14	Zero Coupon	29-Jun-21	38.65	[ICRA]AA(Stable)
INE414G08280	Subordinated Debt	23-Apr-15	Zero Coupon	23-Jan-22	28.91	[ICRA]AA(Stable)
INE414G08298	Subordinated Debt	14-Oct-15	Zero Coupon	14-Oct-22	35.95	[ICRA]AA(Stable)
INE414G08314	Subordinated Debt	12-May-16	Zero Coupon	12-Nov-23	23.60	[ICRA]AA(Stable)
INE414G08330	Subordinated Debt	30-Jan-17	Zero Coupon	30-Jan-25	31.78	[ICRA]AA(Stable)
INE414G08348	Subordinated Debt	24-Apr-17	Zero Coupon	24-Apr-25	18.72	[ICRA]AA(Stable)
Unallocated	Subordinated Debt##	-	-	-	68.22	[ICRA]AA(Stable)
Unallocated	Subordinated Debt##	-	-	-	31.28	[ICRA]AA(Stable)
Unallocated	Subordinated Debt##	-	-	-	90.00	[ICRA]AA(Stable)
Total Subordinated Debt					**551.36**	
NA	Term Loans	Mar-17	-	Mar-19	200.00	[ICRA]AA(Stable)
NA	Long-term fund-based bank facilities	-	-	-	9,962.00^	[ICRA]AA(Stable)
NA	Short-term fund-based bank facilities	-	-	-	13,153.00 ^	[ICRA]A1+
Total Bank Facilities					**14,115.00**	

ISIN No.	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Commercial Paper Programme	-	-	-	**5,000.00**	[ICRA]A1+

Source: MFL
Yet to be placed
^ Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 9,200.00 crore; the total rated bank facilities are Rs. 14,115.00 crore (including Rs. 200.00-crore term loans)

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership (as on September 2018)	Consolidation Approach
Belstar Investment and Finance Limited	65.89%	Full Consolidation
Muthoot HomeFin Limited	100.00%	Full Consolidation
Asia Asset Finance PLC	60.00%	Full Consolidation
Muthoot Insurance and Brokers	100.00%	Full Consolidation

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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