

February 14, 2020

Muthoot Finance Limited: Rated reaffirmed

Summary of rating action

Instrument ^{^^}	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture Programme (public placement) – Unallocated	2,438.84	1,189.01	[ICRA]AA(Stable); reaffirmed
Non-convertible Debenture Programme (public placement) – Allocated	6,431.47	7,681.30	[ICRA]AA(Stable); reaffirmed
	889.95	0.00	[ICRA]AA(Stable); withdrawn
Non-convertible Debenture Programme (private placement) – Unallocated	795.00	295.00	[ICRA]AA(Stable); reaffirmed
Non-convertible Debenture Programme (private placement) – Allocated	1,205.00	1,705.00	[ICRA]AA(Stable); reaffirmed
Long-term Fund-based Bank Facilities	9,897.00 [#]	9,897.00 [#]	[ICRA]AA(Stable); reaffirmed
Short-term Fund-based Bank Facilities	13,738.00 [#]	13,738.00 [#]	[ICRA]A1+; reaffirmed
Term Loans	1,040.00	1,040.00	[ICRA]AA(Stable); reaffirmed
Subordinated Debenture Programme – Allocated	273.84	273.84	[ICRA]AA(Stable); reaffirmed
	67.05	0.00	[ICRA]AA(Stable); withdrawn
Subordinated Debenture Programme – Unallocated	189.50	189.50	[ICRA]AA(Stable); reaffirmed
Commercial Paper Programme	5,000.00	5,000.00	[ICRA]A1+; reaffirmed
Total*	33,205.65	32,248.65	

^{^^} Instrument details are provided in Annexure-1

[#] Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 8,760 crore; total rated bank facilities stand at Rs. 15,915 crore (including Rs. 1,040-crore term loans and Rs. 370-crore credit exposure limit)

^{*} For the computation of total limits rated, total rated bank facilities (term loans, long-term and short-term bank limits) of Rs. 15,915 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 monitoring systems. The ratings also consider the company's comfortable capitalisation profile, ability to raise funds from diverse sources and good profitability indicators. ICRA takes note of the Muthoot Group's portfolio diversification initiatives via its subsidiaries. MFL's 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 2023 from 13% in September 2019.

The ratings factor in the portfolio concentration in the gold loan business, MFL's geographically concentrated operations, the vulnerability of its operations to adverse gold price fluctuations and the marginal borrower profile. ICRA takes note of the marginal increase in MFL's delinquency levels in H1 FY2020 and believes it is critical to ensure collections from the overdue portfolio in the near term to keep the asset quality indicators under control. ICRA, however, notes that the credit cost has remained under control and modest over the past 5 years (average of 0.5% on total managed assets) even though the reported asset quality indicators weakened.

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 accounted for 87% of the consolidated assets under management (AUM), as of September 2019, and its comfortable overall financial risk profile.

ICRA has withdrawn the rating of [ICRA]AA(Stable) for MFL's non-convertible debenture (NCD) and subordinated debenture programmes, aggregating Rs. 889.95 crore and Rs. 67.05 crore, respectively, as these debentures were fully redeemed, and no amount is outstanding against the rated instruments.

Key rating drivers and their description

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. 35,731 crore (of which 98% is gold loan) as on September 30, 2019 and Rs. 34,246 crore as on March 31, 2019 (Rs. 29,142 crore as on March 31, 2018). The consolidated portfolio stood at Rs. 40,390 crore in September 2019 compared to Rs. 38,304 crore in March 2019, of which gold, housing and microfinance accounted for 87%, 5% and 5%, respectively. The company operates through an extensive pan-India branch network of 4,540 as on September 30, 2019 with 60% 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 the annualised PAT/AMA at 6.8% in H1 FY2020 (provisional) and 5.6% in FY2019. MFL's (standalone) net profitability also remained healthy with annualised PAT/AMA of 7.1% in H1 FY2020 (provisional) and 5.7% in FY2019. The return on average net worth was 27.2% in H1 FY2020 (annualised) and 22.4% in FY2019. The net interest margin improved to 13.4% in H1 FY2020 from 13.1% in FY2019 due to an improvement in the yields in Q2 FY2020 on account of the settlement of overdue loans. This was partly offset by an increase in the cost of funds, given the tight funding opportunities available to NBFCs in the market. The average cost of borrowings increased to 9.2% in H1 FY2020 from 8.9% in FY2019. The company's profitability was further supported by a decline in the operating expenses to 4.1% in H1 FY2020 from 4.5% in FY2019 and lower credit costs. The profitability is expected to be maintained at 4.5-5.0% in the medium term.

Capitalisation to remain comfortable over the medium term, notwithstanding the investments required for subsidiaries – MFL has a comfortable capitalisation profile with a standalone gearing of 2.7 times as on September 30, 2019 (2.8 times as on March 31, 2019), aided by good internal capital generation, while the portfolio growth is relatively moderate. The consolidated gearing stood at 3.0 times as on September 30, 2019 vis-à-vis 3.1 times as on March 31, 2019. MFL's standalone net worth was Rs. 10,599 crore as on September 30, 2019 (Rs. 9,793 crore as on March 31, 2019). It 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 3-4 times over the medium term.

Credit challenges

Vulnerability to adverse gold price movements – 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. A steep decline in gold prices is expected to adversely impact the company's asset quality and business profile.

Concentration on gold loan segment; diversification in new asset classes is a monitorable – MFL's standalone portfolio almost entirely consists of gold loans and its consolidated portfolio is also concentrated with gold loans comprising 87% of the loan book as on September 30, 2019. The company's revenue diversification is also modest with non-interest income/average total assets of 0.34% (annualised) in H1 FY2020. The share of the subsidiaries was about 13% of the total AUM in September 2019, up from about 9% in March 2018. The consolidated AUM increased by 13% YoY to Rs. 40,390 crore as on September 30, 2019 (Rs. 35,835 crore as on September 30, 2018). The overall portfolio growth in H1 FY2020 was largely supported by the strong growth in the housing and microfinance subsidiaries. On a YoY basis, the microfinance AUM grew by 53%, housing AUM by 18% and gold loan AUM by 9%.

Going forward, the share of the subsidiaries is expected to increase to about 20% by March 2023. MFL's ability to profitably grow its non-gold business while maintaining good asset quality would be crucial, considering the unsecured nature of some of these businesses and the inherent risks being higher than for gold loans.

Critical to control credit costs in non-gold loan segment – The gross stage 3 increased to 3.4% as on September 30, 2019 from 2.7% as on March 31, 2019 (4.4% as on March 31, 2018) as fresh slippages exceeded the recoveries in H1 FY2020. MFL's standalone net stage 3 stood at 3.0% in September 2019 compared to 2.4% in March 2019. ICRA takes note of the additional standard asset provision of Rs. 120.1 crore (0.3% of the gold loan portfolio). This, along with the low write-off cost (0.05% in H1 FY2020 and average of 0.08% in the last 3 years) and the liquid nature of the collateral, provides comfort. Going forward, timely collections and auctioning and a stable gold price would be critical for keeping the delinquencies and credit costs under control. The GNPA's in the housing and microfinance subsidiaries were, however, under control at 1.1% and 1.0%, respectively, as on September 30, 2019 (0.7% and 1.2%, respectively, as on March 31, 2019). ICRA notes that MFL's (standalone) average credit cost for the last 5 years was low at 0.5%. While ICRA expects MFL to maintain the gold segment's asset quality with low credit costs, the performance of non-gold loans would remain crucial going forward.

Operations concentrated in South India – MFL's operations are largely concentrated in South India, which constituted 60% of its total branch network and 48% of its total loan portfolio as on September 30, 2019. ICRA, however, notes that the share of the portfolio in South India has reduced from 69% in March 2012.

Liquidity position: Strong

MFL's asset liability maturity (ALM) profile, based on the past behavioural trend of 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 (~60-65%) of the loans are repaid within 6 months. ICRA notes that company faces 15-20% loan rollovers in the loan closures, wherein only the interest is serviced while the loan gets renewed on the basis of the prevailing loan-to-value (LTV) ratio. ICRA notes that the ALM (as of September 2019), adjusting for the rollovers, is also comfortable with no significant mismatch in the <1-year bucket.

MFL has a fairly-diversified funding profile with bank loans constituting 47% of its total borrowings as on September 30, 2019, followed by debentures-listed (30%), commercial papers (17%), debentures-private placement (1%) and subordinated debt (1%). The company raised overseas borrowings in Q3 FY2020, which accounted for about 10% of the total borrowings in December 2019. Diverse funding sources help the company maintain a comfortable liquidity position.

MFL had cash and liquid investments of Rs. 2,295 crore (5.7% of total managed assets) as on September 30, 2019 and Rs. 2,079-crore unutilised bank limits (13.5% of total limits) as on December 31, 2019.

Rating sensitivities

Positive triggers – ICRA could change the outlook or upgrade the rating if MFL demonstrates a track record of good quality and profitable performance in the non-gold asset segments while limiting the share of the unsecured asset segments to 15% of the overall AUM. A sustained asset quality, capital profile and earnings performance, as per the expected levels¹, would also act as positive rating triggers.

Negative triggers – ICRA could change the outlook or downgrade MFL’s ratings if the asset quality weakens significantly, thereby impacting its earnings, or if the consolidated gearing increases beyond 4.5 times on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA’s Credit Rating Methodology for Non-Banking Finance Companies
Parent/Group Support	NA
Consolidation	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. 34,246 crore and 4,480 branches as on March 31, 2019. The company derives a major proportion of its business from South India (49% of the total portfolio as on March 31, 2019), 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 achieved a standalone net profit of Rs. 1,972 crore on an asset base of Rs. 38,069 crore in FY2019 against a net profit of Rs. 1,778 crore on an asset base of Rs. 30,792 crore in FY2018. A net profit of Rs. 1,388 crore was reported on an asset base of Rs. 40,116 crore in H1 FY2020 (unaudited results).

The Muthoot Group reported a consolidated net profit of Rs. 2,103 crore on a consolidated asset base of Rs. 41,735 crore in FY2019 against a net profit of Rs. 1,844 crore on a consolidated asset base of Rs. 33,672 crore in FY2018. A consolidated net profit of Rs. 1,472 crore was reported on a consolidated asset base of Rs. 44,271 crore in H1 FY2020 (unaudited results).

¹ as mentioned in the key rating drivers section

Key financial indicators (audited)

	Standalone			Consolidated		
	FY2018	FY2019	H1 FY2020	FY2018	FY2019	H1 FY2020
Total Income	6,333	6,881	3,999	6,782	7,601	4,479
Profit after Tax**	1,778	1,972	1,388	1,830	2,078	1,456
Net Worth	7,812	9,793	10,599	7,857	9,931	10,805
Total Managed Portfolio	29,507	34,933	36,334	32,252	38,723	40,563
Total Managed Assets	30,792	38,069	40,116	33,672	41,735	44,271
Return on Average Managed Assets (%)	5.8%	5.7%	7.1%	5.7%	5.6%	6.8%
Return on Average Net Worth (%)	24.8%	22.4%	27.2%	25.4%	23.4%	28.1%
Gross NPA %	4.4%	2.7%	3.4%	-	-	-
Net NPA %	3.8%	2.4%	3.0%	-	-	-
Net NPA / Net Worth	14.1%	8.2%	10.0%	-	-	-
Gearing (reported; times)	2.9	2.8	2.7	3.2	3.1	3.0
% CRAR	26.3%	26.1%	27.1%	-	-	-

Note: Amount in Rs. crore

* Information available as per the financial statements prepared under Ind-AS

** 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	Current Rating (FY2020)						Rating History for the Past 3 Years				
		Type	Amount Rated	Amount Outstanding	Rating			FY2019		FY2018	FY2017	
					14-02-20	22-01-20	10-10-19	07-01-19	04-12-18	09-10-17	09-08-16	
1	NCDs-Public Issue	Long Term	8,870.31	8,870.31	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	
			889.95	0.00	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	
2	NCDs-Private Placement	Long Term	2,000	2,000	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	
3	Subordinated Debt	Long Term	463.34	463.34	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	
			67.05	0.00	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable); withdrawn	
4	Term Loans	Long Term	1,040	1,040	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	
5	Fund-based Bank Limits [^]	Long Term	9,897	9,897	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	
6	Fund-based Bank Limits [^]	Short Term	13,738	13,738	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	
7	Commercial Paper	Short Term	5,000	5,000	[ICRA]A1+	[ICRA]A1+	[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. 8,760 crore; the total rated bank facilities are Rs. 15,915 crore (including Rs. 1,040-crore term loans and Rs. 370-crore credit exposure limit)

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	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
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)
INE414G07BC3	Non-convertible Debentures	12-May-16	9.00 & 8.25	12-May-21	1.75	[ICRA]AA(Stable)
INE414G07BF6	Non-convertible Debentures	12-May-16	9.25 & 8.50	12-May-21	1.26	[ICRA]AA(Stable)
INE414G07BQ3	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-22	11.13	[ICRA]AA(Stable)
INE414G07BT7	Non-convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-22	82.5	[ICRA]AA(Stable)
INE414G07BZ4	Non-convertible Debentures	24-Apr-17	8.5	24-Jun-20	68.68	[ICRA]AA(Stable)
INE414G07CC1	Non-convertible Debentures	24-Apr-17	8.75	24-Jun-20	1420.43	[ICRA]AA(Stable)
INE414G07CH0	Non-convertible Debentures	24-Apr-17	Zero Coupon	24-Jun-20	38.03	[ICRA]AA(Stable)
INE414G07CA5	Non-convertible Debentures	24-Apr-17	8.75	24-Apr-22	61.18	[ICRA]AA(Stable)
INE414G07CD9	Non-convertible Debentures	24-Apr-17	9	24-Apr-22	190.56	[ICRA]AA(Stable)
INE414G07CI8	Non-convertible Debentures	19-Apr-18	8.25	19-Apr-20	11.98	[ICRA]AA(Stable)
INE414G07CL2	Non-convertible Debentures	19-Apr-18	8.5	19-Apr-20	71.61	[ICRA]AA(Stable)
INE414G07CP3	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Apr-20	8.8	[ICRA]AA(Stable)
INE414G07CJ6	Non-convertible Debentures	19-Apr-18	8.5	19-Jun-21	27.11	[ICRA]AA(Stable)
INE414G07CM0	Non-convertible Debentures	19-Apr-18	8.75	19-Jun-21	1862.45	[ICRA]AA(Stable)
INE414G07CQ1	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Jun-21	19.73	[ICRA]AA(Stable)
INE414G07CK4	Non-convertible Debentures	19-Apr-18	8.75	19-Apr-23	56.51	[ICRA]AA(Stable)
INE414G07CN8	Non-convertible Debentures	19-Apr-18	9	19-Apr-23	721.85	[ICRA]AA(Stable)
INE414G07CR9	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Apr-23	205.55	[ICRA]AA(Stable)
INE414G07CY5	Non-convertible Debentures	20-Mar-19	Zero Coupon	20-Mar-21	36.01	[ICRA]AA(Stable)
INE414G07DB1	Non-convertible Debentures	20-Mar-19	9.25	20-Mar-21	40.12	[ICRA]AA(Stable)
INE414G07DE5	Non-convertible Debentures	20-Mar-19	9.5	20-Mar-21	79.28	[ICRA]AA(Stable)
INE414G07CZ2	Non-convertible Debentures	20-Mar-19	Zero Coupon	20-May-22	151.74	[ICRA]AA(Stable)
INE414G07DC9	Non-convertible Debentures	20-Mar-19	9.5	20-May-22	79.45	[ICRA]AA(Stable)
INE414G07DF2	Non-convertible Debentures	20-Mar-19	9.75	20-May-22	73.71	[ICRA]AA(Stable)
INE414G07DA3	Non-convertible Debentures	20-Mar-19	Zero Coupon	20-Mar-24	46.75	[ICRA]AA(Stable)
INE414G07DD7	Non-convertible Debentures	20-Mar-19	9.75	20-Mar-24	110.64	[ICRA]AA(Stable)
INE414G07DG0	Non-convertible Debentures	20-Mar-19	10	20-Mar-24	91.76	[ICRA]AA(Stable)
INE414G07DH8	Non-convertible Debentures	14-Jun-19	9.25	14-Jun-21	72.76	[ICRA]AA(Stable)
INE414G07DK2	Non-convertible Debentures	14-Jun-19	9.5	14-Jun-21	94.59	[ICRA]AA(Stable)
INE414G07DN6	Non-convertible Debentures	14-Jun-19	Zero Coupon	14-Jun-21	30.29	[ICRA]AA(Stable)
INE414G07DI6	Non-convertible Debentures	14-Jun-19	9.5	14-Aug-22	87.16	[ICRA]AA(Stable)
INE414G07DL0	Non-convertible Debentures	14-Jun-19	9.75	14-Aug-22	71.27	[ICRA]AA(Stable)
INE414G07DO4	Non-convertible Debentures	14-Jun-19	Zero Coupon	14-Aug-22	157.29	[ICRA]AA(Stable)
INE414G07DJ4	Non-convertible Debentures	14-Jun-19	9.75	14-Jun-24	105.81	[ICRA]AA(Stable)
INE414G07DM8	Non-convertible Debentures	14-Jun-19	10	14-Jun-24	179.47	[ICRA]AA(Stable)
INE414G07DP1	Non-convertible Debentures	14-Jun-19	Zero Coupon	14-Jun-24	20.82	[ICRA]AA(Stable)
INE414G07DQ9	Non-convertible Debentures	14-Jun-19	Zero Coupon	14-Dec-26	32.24	[ICRA]AA(Stable)
INE414G07DT3	Non-convertible Debentures	1-Nov-19	9.25	1-Nov-21	45.56	[ICRA]AA(Stable)
INE414G07DU1	Non-convertible Debentures	1-Nov-19	9.5	1-Jan-23	53.73	[ICRA]AA(Stable)
INE414G07DV9	Non-convertible Debentures	1-Nov-19	Zero Coupon	1-Nov-24	89.82	[ICRA]AA(Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07DW7	Non-convertible Debentures	1-Nov-19	9.5	1-Nov-21	54.83	[ICRA]AA(Stable)
INE414G07DX5	Non-convertible Debentures	1-Nov-19	9.75	1-Jan-23	40.99	[ICRA]AA(Stable)
INE414G07DY3	Non-convertible Debentures	1-Nov-19	Zero Coupon	1-Nov-24	53.62	[ICRA]AA(Stable)
INE414G07DZ0	Non-convertible Debentures	1-Nov-19	9.75	1-Nov-21	26.05	[ICRA]AA(Stable)
INE414G07EA1	Non-convertible Debentures	1-Nov-19	10	1-Jan-23	38.02	[ICRA]AA(Stable)
INE414G07EB9	Non-convertible Debentures	1-Nov-19	Zero Coupon	1-Nov-24	14	[ICRA]AA(Stable)
INE414G07EC7	Non-convertible Debentures	1-Nov-19	Zero Coupon	1-May-27	43.2	[ICRA]AA(Stable)
INE414G07EH6	Non-convertible Debentures	27-Dec-19	9.25	27-Dec-21	63.8	[ICRA]AA(Stable)
INE414G07EI4	Non-convertible Debentures	27-Dec-19	9.5	27-Feb-23	54.69	[ICRA]AA(Stable)
INE414G07EJ2	Non-convertible Debentures	27-Dec-19	Zero Coupon	27-Dec-24	81.83	[ICRA]AA(Stable)
INE414G07EK0	Non-convertible Debentures	27-Dec-19	9.5	27-Dec-21	285.72	[ICRA]AA(Stable)
INE414G07EL8	Non-convertible Debentures	27-Dec-19	9.75	27-Feb-23	117.08	[ICRA]AA(Stable)
INE414G07EM6	Non-convertible Debentures	27-Dec-19	Zero Coupon	27-Dec-24	54.38	[ICRA]AA(Stable)
INE414G07ED5	Non-convertible Debentures	27-Dec-19	9.75	27-Dec-21	34.47	[ICRA]AA(Stable)
INE414G07EE3	Non-convertible Debentures	27-Dec-19	10	27-Feb-23	40.78	[ICRA]AA(Stable)
INE414G07EF0	Non-convertible Debentures	27-Dec-19	Zero Coupon	27-Dec-24	12.66	[ICRA]AA(Stable)
INE414G07EG8	Non-convertible Debentures	27-Dec-19	Zero Coupon	27-Jun-27	44.6	[ICRA]AA(Stable)
INE414G07CS7	Non-convertible Debentures (private)	26-Jul-18	9.75	26-Jul-21	175	[ICRA]AA(Stable)
INE414G07CT5	Non-convertible Debentures (private)	13-Aug-18	9.6	22-Jun-20	250	[ICRA]AA(Stable)
INE414G07CU3	Non-convertible Debentures (private)	22-Nov-18	9.25	1-Feb-21	12	[ICRA]AA(Stable)
INE414G07CV1	Non-convertible Debentures (private)	22-Nov-18	9.5	1-Feb-21	8	[ICRA]AA(Stable)
INE414G07CW9	Non-convertible Debentures (private)	22-Nov-18	9.5	1-Feb-22	90	[ICRA]AA(Stable)
INE414G07CX7	Non-convertible Debentures (private)	22-Nov-18	9.75	1-Feb-22	40	[ICRA]AA(Stable)
INE414G07DR7	Non-convertible Debentures (private)	6-Sep-19	10	6-Sep-21	430	[ICRA]AA(Stable)
INE414G07DS5	Non-convertible Debentures (private)	6-Sep-19	10	6-Sep-21	200	[ICRA]AA(Stable)
INE414G07EN4	Non-convertible Debentures (private)	30-Dec-19	9.5	30-Jan-22	250	[ICRA]AA(Stable)
INE414G07EO2	Non-convertible Debentures (private)	30-Dec-19	9.5	6-Jan-22	250	[ICRA]AA(Stable)
Unallocated	Non-convertible Debentures (private) ^{###}	-	-	-	295	[ICRA]AA(Stable)
Unallocated	Non-convertible Debentures (public) ^{###}	-	-	-	1189.01	[ICRA]AA(Stable)
INE414G07878	Non-convertible Debentures	29-Dec-14	10.00& 10.75	29-Dec-19	2.69	[ICRA]AA(Stable); withdrawn
INE414G07902	Non-convertible Debentures	29-Dec-14	10.25 & 11.00	29-Dec-19	2.13	[ICRA]AA(Stable); withdrawn
INE414G07944	Non-convertible Debentures	29-Dec-14	Zero Coupon	29-Dec-19	2.23	[ICRA]AA(Stable); withdrawn
INE414G07BP5	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-20	26.43	[ICRA]AA(Stable);

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07BS9	Non-convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-20	839.27	withdrawn [ICRA]AA(Stable); withdrawn
INE414G07BX9	Non-convertible Debentures	30-Jan-17	Zero Coupon	30-Jan-20	17.2	[ICRA]AA(Stable); withdrawn
Total Non-convertible Debentures*					10,870.31	

Subordinated Debt

INE414G09015	Subordinated Debt	26-Mar-13	12.35	26-Mar-23	10.00	[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)
INE414G08223	Subordinated Debt	4-Dec-13	Zero Coupon	4-Dec-19	23.29	[ICRA]AA(Stable); withdrawn
INE414G08231	Subordinated Debt	4-Feb-14	Zero Coupon	4-Feb-20	43.76	[ICRA]AA(Stable); withdrawn
Total Subordinated Debt*					463.34	

NA	Term Loans	-	-	-	1040.00	[ICRA]AA(Stable)
NA	Long-term Fund-based Bank Facilities	-	-	-	9,897.00 [^]	[ICRA]AA(Stable)
NA	Short-term Fund-based Bank Facilities	-	-	-	13,738.00 [^]	[ICRA]A1+
Total Bank Facilities					15,915.00	

NA	Commercial Paper Programme	-	-	-	5,000.00	[ICRA]A1+
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Source: MFL

^{##} Yet to be placed

[^] Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 8,760 crore; the total rated bank facilities are Rs. 15,915 crore (including Rs. 1,040-crore term loans and Rs. 370-crore credit exposure limit)

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership (as of March 2019)	Ownership (as of March 2018)	Consolidation Approach
Belstar Investment and Finance Limited	70.01%	66.61%	Full Consolidation
Muthoot HomeFin Limited	100.00%	100.00%	Full Consolidation
Asia Asset Finance PLC	69.17%	60.00%	Full Consolidation
Muthoot Insurance and Brokers	100.00%	100.00%	Full Consolidation
Muthoot Money Private Limited	100.00%	-	Full Consolidation
Muthoot Asset Management Private Limited	100.00%	-	Full Consolidation
Muthoot Trustee Private Limited	100.00%	-	Full Consolidation

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