

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

Ref: SEC/MFL/SE/2018/2899

September 04, 2018

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: Muthoot Finance Ltd - Unaudited Financial Results for the quarter ended June 30, 2018

The Board of Directors of the Company at their meeting held on 04th September, 2018 at the Registered Office of the Company have approved the unaudited financial results for the quarter ended June 30, 2018.

We herewith enclose the Unaudited Financial Results along with the Limited Review Report for the quarter ended June 30, 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 ended 30 June 2018

Rs. in Lakhs

Particulars	Quarter Ended	
	30.06.2018	30.06.2017
	(Unaudited)	(Unaudited)
Revenue from Operations	1,62,288.30	1,36,523.16
Other Income	1,011.26	1,210.74
Total Revenue	1,63,299.56	1,37,733.90
Expenses		
Employee Benefits Expenses	21,687.34	18,578.80
Finance Costs	50,156.34	51,212.68
Depreciation and Amortisation	910.91	1,042.68
Provisions and Write Offs	265.27	1,258.74
Other Expenses	14,779.72	11,404.35
Total Expenses	87,799.58	83,497.25
Profit before exceptional Items and tax	75,499.98	54,236.65
Exceptional Items	-	-
Profit before tax	75,499.98	54,236.65
Tax expenses:-		
Current tax	27,068.99	19,322.00
Deferred tax	(724.87)	425.60
Tax expenses	26,344.12	19,747.60
Profit for the period	49,155.86	34,489.05
Other Comprehensive Income		
(i) Items that will not be classified to profit or loss	159.05	147.87
(ii) Income tax relating to items that will not be reclassified to profit or loss	(55.04)	(51.17)
Other Comprehensive Income	104.01	96.70
Total Comprehensive income	49,259.87	34,585.75
Earnings per Equity Share (Face Value of Rs.10/- each)		
a) Basic (Rs.)	12.29	8.63
b) Diluted (Rs.)	12.24	8.60

See accompanying notes to financial results



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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 September 3, 2018 and September 4, 2018.
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 ('the 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.

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.

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 quarter ended March 31, 2018 and previous year ended March 31, 2018 and hence has provided Ind AS compliant financial results only for the previous quarter ended June 30, 2017 along with the financial results for the quarter ended June 30, 2018. Further, the Ind AS compliant financial results for the quarter ended June 30, 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 previous quarter ended June 30, 2017 (as per requirements of Para 32 of Ind AS 101) is as under:

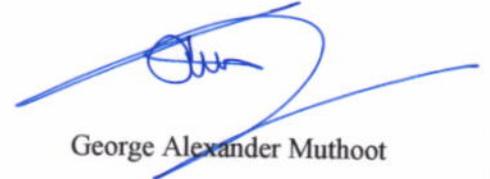
Particulars	Quarter ended June 30, 2017 (Rs in Lakhs)
Net Profit after tax reported under Previous GAAP	35,107.04
Adjustments increasing / (decreasing) net profit after tax as reported in the previous GAAP:	
Impact on application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	(3,114.07)
Amortisation of net income under Effective Interest Rate method for financial assets	(195.47)
Amortisation of expenses under Effective Interest Rate method for financial liabilities	2,046.89
Reversal of derivative liability recognised on transition	590.62
Reclassification of Actuarial Gain/Loss to Other Comprehensive Income	(147.87)
Fair Valuation of Employee Stock Options	(125.15)
Tax adjustments on above items	327.06
Net Profit after tax as under Ind AS	34,489.05
Other Comprehensive Income/ Loss (Net of tax)	96.70
Total Comprehensive Income(after tax) as reported under Ind AS	34,585.75

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 109 dealing with Operating Segments.
7. During the quarter ended June 30, 2018, the company has allotted 50,205 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 paripassu floating charge on current assets, book debts and loans & advances of the Company on its Secured Listed Non- Convertible Debentures aggregating to Rs.709,660.95 lakhs as at June 30, 2018.
9. During the quarter ended June 30, 2018, the company acquired 11,21,366 equity shares of Rs 10/- each at a premium of Rs. 145/- per share for a total consideration of Rs. 1,738.11 lakhs taking the total shareholding to 71.16% of the total equity share capital of Belstar Investment and Finance Private Limited.



10. During the quarter ended June 30, 2018, Muthoot Insurance Brokers Private Limited (wholly owned subsidiary) has allotted 2,50,000 bonus shares of Rs 10 each to Muthoot Finance Limited, retaining the total shareholding at 100%.

For and on behalf of the Board of Directors



George Alexander Muthoot

Managing Director

DIN - 00016787

Kochi

4 September, 2018



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 30 June 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 ended 30 June 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.



Varma & Varma

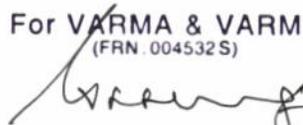
Chartered Accountants

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 : 04.09.2018

For VARMA & VARMA
(FRN. 004532S)



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