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Accolades

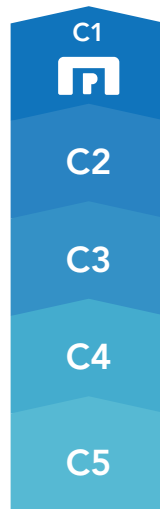
CRISIL ASSIGNS HIGHEST COCA GRADING TO MUTHOOT MICROFIN

Microfinance Capacity Assessment Grading



CRISIL

Code of Conduct Assessment



CRISIL - globally leading rating agency - has assigned a Comprehensive Microfinance Capacity Assessment Grading of 'M2C1' to Muthoot Microfin Limited. CRISIL's Comprehensive Microfinance Capacity Assessment Grading signifies high capacity of the MFI to manage its operations in a sustainable manner and excellent performance on Code of Conduct dimensions.

The grading is assigned on an eight-point scale with respect to Microfinance Capacity Assessment Grading, with 'M1' being the

highest grading, and 'M8', the lowest. And five-point scale with respect to Code of Conduct Assessment, with 'C1' being the excellent performance, and 'C5', the weakest.

Muthoot Microfin has received the second highest rating in Capacity Assessment and highest rating in Code of Conduct Assessment. The Code of Conduct Assessment of MFI evaluates its adherence to various code of conduct parameters as laid down by regulatory bodies. The grading is valid for a period of one year.



Observatory

Client Per Capita Income/Month

Per Capita Income	Percentage
< = 1000	00.25%
1000 – 1500	06.77%
1501 – 2500	46.38%
2501 – 3500	33.98%
3501 – 5000	12.20%
5000 Above	00.43%

Facts and Figures

Group Lending	
Districts	144
Branches	408
Centres	1,86,589
Active Members	11,57,005
Disbursement (April)	₹ 154.60 Cr
Total Disbursement	₹ 8541.54 Cr
	\$ 1322.94 mn

MSGB Loans

Current Portfolio	₹ 183.95 Cr
Total Disbursement	₹ 533.48 Cr

Personnel Strength

Field Staff	4967
Total Staff	5137





Financials

- Total profit (EBIT) for FY 2016-17 as of March 31, 2017 is at ₹309.09 crore.
- Operational Income for FY 2016-17 as of March 31 is at ₹448.92 crore.
- Operational Income for the previous fiscal same period was ₹434.50 crore.



News-Highlights

- Entered Punjab by opening first branch in Rajpura.
- Opened 4 new branches across Punjab, West Bengal, Karnataka and Uttar Pradesh in April.
- MSGB Loans added 3,510 customers in April.
- MSGB Loans disbursed over ₹16.50 crores in April.
- IGL-Dairy added 545 dairy farmers in April, disbursing ₹1.66 crores.
- Dairy Loan outstanding as on 31st April is ₹58.36 crores from 44446 Dairy Farmers.
- Training team conducted 189 internal training programmes in April.
- A total of 1241 employees benefitted through the internal training programmes.



Impacts

SUCCESS FOLLOWS HARD WORK



Loan ID- TRCK@2900

Rajeswari S, a housewife turned small entrepreneur residing at Alanguppam in Pondicherry did not expect that a microfinance loan would change her life forever.

Seven years ago, Rajeswari was eking out a living for herself and her growing family selling bakery items in the nearby market. She lived in a small home near the beaches of Pondicherry with her two children and husband - Sundara Rajan, who is a farmer.

Inconsistent income of her husband forced Rajeswari to look for new ways of income for her family to survive. After a while, in an attempt to find an alternative income, she opened a small shop with the help of her friends. However, with very little stock and no ability to expand, the business hardly made any revenue.

Despite the setback, Rajeswari knew that her business can catch up if she could stock more essential commodities. Yet, lack of capital remained a major obstacle for her.

Luckily for her, she was introduced to Muthoot Microfin by a friend and was impressed to know about its operations

which suited people like her very well. She soon joined a Joint Liability Group and was granted a first cycle loan of ₹15,000 to expand her shop. She utilized the entire amount to purchase commodities in bulk. After a couple of months, she could see the difference in sales as daily profits started to grow from a paltry ₹100 to ₹800 in quick time.

Now, Rajeswari is the breadwinner for her 4 member family. She has reinvested the earnings back into her business to grow her enterprise. She did some maintenance to her small house and also provides better education to her two boys.

She is now on her third cycle loan of ₹30,000 and says that Muthoot Microfin not only helped her to access the capital needed to grow her enterprise but also the training provided by the organization has taught her the importance of planning finance and using the loan correctly to make her business a success.

Rajeswari now has plans of availing a bigger loan from Muthoot to start a bakery in her small town.





CHIPPING HER WAY TO SUCCESS



Loan ID- ANSL#856

N Gomathi of Narayanan Nagar in Navarakulam, Pondicherry has transformed tremendously from being a street vendor of banana chips to a self-made businesswoman now. She and her business have become synonymous with banana chips of different varieties in the region.

She now sits comfortably in her makeshift shop at M.K Savadi near her home where the locals as well as others now shops for snacks, savouries and sweets. The business which enters the fifth year and its proprietor Gomathi's story is an inspiring one.

A native of nearby village, Gomathi arrived in Navarakulam after her marriage. However, poor conditions at her husband's house forced Gomathi to start earning for the family. She started working at a snacks making centre as helper. Soon she learnt the tricks of the trade and started making chips, mixture and many snacks and savouries for the shop.

After a year or so working at the shop, she decided to do her own business. However, raising enough money to rent a shop and

buying essentials remained a problem and all her attempts to find some capital failed due to her inability to provide collateral securities demanded by local lenders.

During this time, she was introduced to Muthoot Microfin by a friend and her life transformed thereafter. Recalling those days, Gomathi says "I kept on trying to open a shop, but was back on the street with my cart. But my fortune changed the moment I was introduced to Muthoot Microfin. Their easy loans helped me to utilise the backyard of my house as the production centre and I never looked back since my first loan with Muthoot"

After closing her third cycle loan of ₹30,000, now she has availed an MSGB loan of ₹50,000 to expand her business. In the 5 years since she received that first cycle loan from Muthoot Microfin, Gomathi saved the earnings from her business to build a comfortable life for her family.

With all her success, Gomathi isn't done. She's making plans to introduce more products and expand her business.



DARING XI WINS MMPL '17



The company's Annual Employee Engagement initiative - Muthoot Microfin Premiere League (MMPL) 2017, organised over two days in mid-April (15th & 16th) at St. Paul's College Ground, Kalamassery, Kochi offered world class experience to players and spectators.

Earlier, the teams were selected at a glittering IPL style auction held at the HO. All the Team Owners and Managers along with Marquee Players attended the auction and selected players from a list of more than 300 players from across the country.

Asha Anand (AVP - HR) owned – Daring XI won the highly competitive title, while Antony Biju's (AVP- MSGB Ops) Shining Stars became the Runner-Up. The tournament concluded with a spectacular prize giving ceremony.

Muthoot Microfin conducts regular Employee Engagement activities to rejuvenate employees team spirit and boost their morale.



MUTHOOT CAPITAL SERVICES NET PROFIT SURGES 32% IN 2016-17

Muthoot Capital Services Ltd. (MCSL), a part of Muthoot Pappachan Group, has clocked 32% increase in net profit for the year 2016-17 at ₹ 30.09 crore. The total income registered 24% growth at ₹ 284.20 crore.

The company's Managing Director Mr Thomas George Muthoot attributed the improved performance to substantial growth in two-wheeler loan disbursements and corporate loans. The total disbursements for the year stood at ₹ 1298 crore compared with ₹ 928 crore a year ago. The overall assets under management showed a growth of 39% at ₹ 1440 crore.

The company's activities were affected briefly after demonetisation but the growth rebounded in the last quarter. "In the aftermath of demonetisation when customers struggled for cash we came up with a 100% funded gold-linked scheme," Mr Thomas George Muthoot said. The net profit for the last quarter increased by 62% to ₹ 11.12 crore from a year ago. The total income recorded a growth of 26% at ₹ 79.80 crore.

The company is looking at launching several new products including used car financing in the next one year. It plans to improve profitability by tapping into additional sources of funding like NCDs and commercial papers apart from bank loans and public deposits.



MMPL '17 HIGHLIGHTS

