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## Accolades

## MUTHOOT PAPPACHAN FOUNDATION FACILITATES 1000+ FREE CLEFT LIP SURGERIES



Muthoot Pappachan Foundation has achieved a remarkable milestone by facilitating 1,000 free 'cleft lip' surgeries for underprivileged children through the SMILE PLEASE mission. The partnership of Muthoot Pappachan Foundation and Mission Smile has so far accomplished 1119 surgeries across the country in the last 2.5 years.

The surgery, treatment, transportation, food and accommodation of patients and their guardians are all taken care under the comprehensive mission. Meanwhile, 'SMILE Please' mission has kicked off in Vadodara by providing free and comprehensive cleft surgeries to patients from deserving

backgrounds from March 26, 2017. Isha Hospital, Vadodara, is hosting the mission.

The Foundation with the support of Muthoot Fincorp/Microfin branches, Mission Smile coordinators and Isha Hospital carried out extensive awareness activities and patient recruitment throughout Gujarat which helped identifying patients from the rural areas who were unable to provide surgeries for their kids due to financial constraints.

Vadodara mission has successfully completed 61 cleft lip surgeries. With the entry to Gujarat, Smile Please mission has now covered 9 states in India.



## Observatory

### Client Per Capita Income/Month

Per Capita Income	Percentage
< = 1000	00.31%
1000 – 1500	07.54%
1501 – 2500	47.55%
2501 – 3500	33.07%
3501 – 5000	11.14%
5000 Above	00.38%

### Facts and Figures

Group Lending	
Districts	132
Branches	399
Centres	1,76,861
Active Members	11,73,742
Disbursement (January)	₹ 252.72 Cr
Total Disbursement	₹ 8073.16 Cr
	\$ 1213.00 mn

### MSGB Loans

Current Portfolio	₹ 170.09 Cr
Total Disbursement	₹ 489.72 Cr

### Personnel Strength

Field Staff	4934
Total Staff	5104





## Financials

- Total profit (EBIT) for FY 2016-17 as of January 31, 2017 is at ₹265.56 crore.
- Operational Income for FY 2016-17 as of January 31 is at ₹371.59 crore.
- Operational Income for the previous fiscal same period was ₹349.41 crore.



## News-Highlights

- Opened 10 new branches across Karnataka, Kerala Haryana, Gujarat and Odisha in February.
- MSGB Loans added 4425 customers in February.
- MSGB Loans disbursed over ₹19.15 crores in February.
- IGL-Dairy added 699 dairy farmers in February, disbursing ₹2.12 crores.
- Dairy Loan outstanding as on 28th February is ₹62.86 crores from 48727 Dairy Farmers.
- Training team conducted 226 internal training programmes in February.
- A total of 1959 employees benefitted through the internal training programmes.



## Impacts

# HARD WORK BRINGS ITS REWARDS



Loan ID- 4087#TNSM

Until 5 years ago, Mrs Pappa Chellappa, a 38-year-old housewife from Pudur in Thenkasl, Tamil Nadu worked as a street milk vendor to support her family. Interestingly, Pappa now is a successful milk shop owner, distributing a major brand of milk - started with the financial support from Muthoot Microfin.

It was her dream to start a milk shop of her own but raising enough money even to rent a place was beyond her reach earlier. In the beginning, she borrowed from a local lender towards opening a shop but it rather became a burden for her. It was her neighbours, who were group members of Muthoot Microfin encouraged her to avail Muthoot's services. She was impressed by the institution's operations and soon joined a group and availed her first cycle loan of ₹15,000. She utilised the entire amount to start operations of the milk stall. As she had planned, her business grew gradually and income increased. From a paltry income of ₹150 per day earlier, she started to earn ₹500 a day eventually.

After the successful repayment of her first cycle loan, she availed second cycle loan of ₹30,000. With the money, she raised her

investment in the business and worked hard. She now employs a neighbour and has been managing the trade very successfully.

Pappa's husband has also joined her successful business to help her which she says has helped her halft he workload. Now, with an increased family income, Pappa saves a good amount of money after meeting all the household expenses. She also sends her children to a good school nearby.

As a milk shop owner, Pappa has gained a place in society where she is treated with respect and equality. She intends to expand her enterprise with more products on offer by making further investments.

For the past 3 years or so, Pappa has been saving regularly for her family members and is also on the lookout for more opportunities in her business. Pappa says "Muthoot provided a perfect opportunity for me to expand my business and it really was a hassle-free transaction, which suits people like me very well, I will definitely want to associate with Muthoot in future too".







## LOOMING DREAMS



Loan ID- PNSR#2138/SC

T Kokilamani, a housewife turned entrepreneur from Nalligoundanpalayam in Pollachi, Tamil Nadu has woven a success story in her life by providing a decent living to her family of six who were struggling to meet both ends at a point of time.

The 25-year-old Kokilamani and her husband Kanakaraj have earned their living by weaving beautiful sarees, blankets and fabric for other dresses, which they sell in their village as well as to nearby shops. The business of weaving is a family affair for Kokilamani and her husband, however, the enterprise provided the family only a meagre income which was highly insufficient to meet rising family expenses. Until a couple of years back, they were working on an old loom which badly needed repairs at regular intervals. Kokilamani knew that if she could purchase a new loom, she can increase the production and have more earnings. However, they didn't have enough savings and were unable to raise money to buy a new loom. Fortunately for her, she was introduced to Muthoot Microfin then and was thrilled to know about its simple but

effective form of operations which suited people like her. She soon joined a group and took out the first cycle loan of ₹15,000 which she used as an advance to purchase a second loom. She was also able to use a portion of her loan to buy thread in bulk to increase production.

Gradually, Kokilamani could increase the production two-fold, making it possible to expand the weaving enterprise. After one year, she availed second cycle loan of ₹25,000 and bought another loom that allowed her to produce a greater variety of textile products. A strong will, talent and ambition, combined with Muthoot Microfin's financial support led Kokilamani to become a successful entrepreneur today. She now enjoys high exposure and demand for her products. Kokilamani's success has had a substantial impact on the standard of living of her family, and she is now able to provide her family with better education and healthcare. Kokilamani says "Muthoot helped me at crucial juncture as I was about to close down my loom. Muthoot trusted me even though I didn't provide any collateral".



## MICROFIN OFFERS DIGITAL FINANCIAL LITERACY TRAININGS



Following government of India's initiatives to promote digitalisation and cashless economy, Khamla- Nagpur and Ichalkaranji branches of Muthoot Microfin in Maharashtra organised two separate digital financial literacy training programs for the local community.

Main objectives of the camps were to spread awareness about the benefits of a cashless economy and to educate local people about procedures involved in executing cashless transactions.

More than 250 local community members participated in the program. Experts who led the programs introduced E-wallets and debit/credit cards to the participants. They also demonstrated how people can use e-wallets in their phone and how to download and install it. They also undertook sessions on safety measures to be applied while banking with electronic devices.

The workshop at Khamla- Nagpur was conducted in association with Axis bank, Nagpur while Union Bank of India and Vodafone M pesa coordinated with Ichalkaranji branch for the program.





Live

## MICROFINANCE REDUCES GENDER INEQUALITY: STUDY

An increase in the proportion of women accessing microfinance services by just 15% could potentially reduce gender inequality by half in the average developing nation, as measured by the Gender Inequality Index. The finding comes from a recent study published in Applied Economics Letters that also found that cultural characteristics can influence this relationship.

While the world has achieved progress towards gender equality under the UN's Millennium Development Goals, women and girls continue to suffer discrimination and violence in many parts of the world.

For example, only 74 girls were enrolled in primary school for every 100 boys in 1990 in southern Asia. By 2012, enrolment ratios remained the same. Girls also face barriers to entering both primary and secondary school in sub-Saharan Africa, Oceania and western Asia. Disadvantages in education translate into a lack of skills and limited opportunities in the labour market. In northern Africa, for instance, women hold less than one in five paid jobs in the non-agricultural sector.

Conceptually, microfinance enables poor women to engage in income-generating activities that help them become financially independent, strengthening their decision-making power within the household and society. It is through this channel that economists argue that microfinance has the potential to reduce gender inequality.

### EVIDENCE FROM AROUND THE WORLD

The study used data from 64 developing countries from between 2003 and 2014 to

examine general international trends and patterns on gender inequality and microfinance. Gender inequality is measured with two popular indicators from the UN: Gender Development-related Index and Gender Inequality Index. These are composite indices based on measures of differences in health, education, living standards, empowerment, and economic status.

The key variable of significance in the analysis is a gendered indicator of microfinance usage, defined as the proportion of female clients as a share of the total national population. This measure was constructed using microfinance data from MIX Market, a microfinance auditing firm.

The research found evidence of a negative relationship between women's participation in microfinance and gender inequality. In other words, it is found that gender inequality will potentially decrease when women's participation increases. As noted above, in the average developing nation, an increase in microfinance by around 15% is associated with a decline in gender inequality by about half. National conservatism and microfinance firms' adoption of culturally-appropriate local practices potentially influenced the results.

### POLICY IMPLICATIONS

More microcredit in developing nations clearly found to be good news for women. However, microfinance does not automatically empower women; country-specific and cultural factors play a key role in determining how microfinance interacts with gender inequality.



Live

## MUTHOOT MICROFIN OPENS NEW OFFICE IN NEW DELHI



Ms Remy Thomas, Director -MPG  
inaugurating new office in the presence of  
Mr Sadaf Sayeed, CEO - Muthoot Microfin.

Muthoot Microfin, the microfinance arm of Muthoot Pappachan Group has opened its new regional office in Barakhamba Road, New Delhi to boost its expansion towards northern states of India. The new office situated at the capital of the country will give a geographical advantage in operational and administrative functions in regard to the expansion plans.

Muthoot Microfin rooted in Kerala is one of the fastest growing MFI in India and is already dominant in south India. The company has strategic plans to steadily expand to the northern markets to further build its portfolio.

In the current fiscal, Muthoot Microfin entered Haryana and Punjab and has been spreading its operations in UP, Gujarat, MP and Odisha. The company plans to enter West Bengal, Bihar and Chhattisgarh in the 2017-'18 fiscal.

