

# M POWER

MUTHOOT MICROFINANCE MONTHLY NEWSLETTER



INSIDE

- 1 M Accolades
- 1 M Observatory
- 2 M Impact
- 3 M Initiatives
- 4 M News



Accolades

## MPG CELEBRATES FOUNDER'S DAY



Mr Thomas John Muthoot inaugurating the event in the presence of Mr Thomas George Muthoot &amp; Mr Thomas Muthoot

Muthoot Pappachan Group (MPG) celebrated its Founder's Day 2017 with felicitation, festivity and feast on 5th February, 2017. Around 1000 employees of the organisation participated in the day long celebrations held at Kottackattu Convention Centre, Nalanchira in Thiruvananthapuram.

The Founder's Day celebrations were jointly inaugurated by Mr Thomas John Muthoot - CMD, Mr Thomas George Muthoot - Director and Mr Thomas Muthoot, ED - MPG.

Employees from different states in India attended the function and participated in various contests in the daylong event. The

Founder's Day event had cultural activities, competitions and brief business presentations. Muthoot Technologies and Muthoot Homez presented their futuristic projects to the audience.

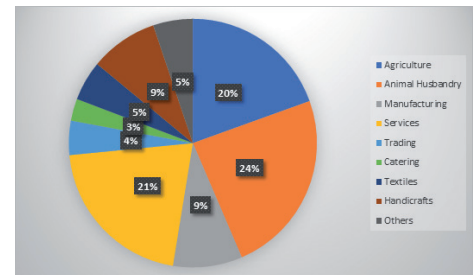
Muthoot Fincorp's brand new bimonthly Newsletter was unveiled at the event. A CSR presentation on various initiatives undertaken by MPG, including free cleft lip surgeries for children through 'Smile India campaign, was also held during the day.

MPG holds Founder's Day event every year to honour Mr Muthoot Pappachan who worked relentlessly with courage, faith and humility to establish the present-day MPG.



Observatory

### Client Portfolio Distribution by Activity



### Facts and Figures

#### Group Lending

Districts	126
Branches	389
Centres	1,75,375
Active Members	12,12,109
Disbursement (January)	₹ 260.06 Cr
Total Disbursement	₹ 7818.03 Cr
	\$ 1168.35 mn

#### MSGB Loans

Current Portfolio	₹ 165.08 Cr
Total Disbursement	₹ 470.57 Cr

#### Personal Strength

Field Staff	4898
Total Staff	5061



## Financials

- Total profit (EBIT) for FY 2016-17 as of December 31, 2016 is at ₹246.34 crore.
- Total profit (EBIT) for the previous fiscal same period was ₹264.50 crore.
- Operational Income for FY 2016-17 as of December 31 is at ₹337.25 crore.

## News-Highlights

- Opened 13 new branches across Karnataka, Kerala, Haryana, and Tamil Nadu in January.
- MSGB Loans added 4,503 customers in January.
- MSGB Loans disbursed over ₹17.55 crores in January.
- IGL-Dairy added 1,250 dairy farmers in January, disbursing ₹3.86 crores.
- Dairy Loan outstanding as on 31st January is ₹65.93 crores from 51,605 Dairy Farmers.
- Training team conducted 184 internal training programmes in January.
- A total of 1,443 employees benefitted through the internal training programmes.

## Impact

### WEAVING DREAMS ALONG LIVES



Loan ID: POLA#2383/SC

49-year-old Mariammal from Palladam in Pollachi, Tamil Nadu is a bamboo basket weaver. She along with her husband Kaliappan has been engaged in this trade for the last 15 years.

Mariammal used to buy bamboo materials from local vendors and make different kinds of bamboo baskets mostly to the requirements of small traders in the surrounding areas. She typically makes 4-5 baskets a day, which are sold for ₹50 to ₹100 each depending on the size.

The earnings from the hard labour weren't enough for the family as she was already burdened with debts. On occasions, Mariammal used to buy raw materials on credit and end up paying a much higher price. Aimed to expand her business and provide a better life for the family, Mariammal decided to avail microfinance services from Muthoot Microfin.

She received her first cycle loan of ₹10,000 and allocated it for buying the raw materials on full cash deals. Mariammal worked harder and made larger variety of baskets as well as other decorative products. Her business grew gradually and margins increased owing to lower debts

arising from credit purchases.

She is now on her second cycle loan of ₹25,000 and is slowly expanding her business by procuring raw materials in bulk and established a small store to sell the products in retail.

Mariammal has closed her previous debts. She plans to expand her workshop, increase production, furnish store, as well as display the merchandise. She has transformed into a woman entrepreneur who keeps thinking on business lines, constantly on the lookout to further enhance and expand her business.

Currently her daily profit hits an average ₹500 from a meagre ₹150 earlier. Muthoot Microfin has not only improved the economic condition of Mariammal's household, but also empowered her by providing her a greater social status in the family and village.

A thankful Mariammal says "Muthoot Microfin gave me the power to succeed as their timely loans changed my life; my earnings increased and it helped my household. I will continue my association with Muthoot for further business expansion plans".




**Impact**

## BREAKTHROUGH THRU HARD WORK



Loan ID- RKPR#274/S

For the past five years, Muthuselvi from Srivilliputhur in Virudunagar district of Tamil Nadu stands behind her petty shop to greet her customers with eagerness on her face. The 32-year-old mother of two children runs a petty shop near her home in Meleppalayam with reasonable profit to help her run the family in a decent manner. With the profit from the shop, she meets household expenses and school fees for her children.

However, her journey toward success wasn't that easy. Four years ago, Muthuselvi's smiles were not so bright. Her husband, Krishnasamy, who was a coolie with inconsistent and paltry earnings, couldn't afford to provide regularly for the family. The couple struggled to meet ends on a daily basis.

During this time, a friend of her, who runs a shop in another part of Meleppalayam encouraged Muthuselvi to start a petty shop in her locality. Muthuselvi liked the idea and was eager to start her own small enterprise in the hope of providing a decent life to her children. Despite her eagerness to be a

business woman, Muthuselvi didn't had the capital to start the business.

At that time, she was introduced to Muthoot Microfin by a neighbour and was happy to learn that she could take out small, group loans from Muthoot. After a week, she was provided with the first cycle loan of ₹15,000. With that amount, she made arrangements and bought materials to start her shop.

For the next few months, Muthuselvi worked very hard without even taking a single day off. As her business grew, she took next cycle loans from Muthoot. She upgraded her shop with every cycle loan and recently bought a refrigerator to keep milk products.

Today, Muthuselvi doesn't have to worry about earning enough to take care of her family. In fact, with the growth of her business, Muthuselvi is able to send her children to a better school. Her next dream is to build her own house.

A thankful Muthuselvi says "I never expected that people like me can avail loans that too without any collateral and become an entrepreneur".


**Initiatives**

## HALOL, BORSAD TRAINING OFFERS DAIRY FARMING TIPS



Borsad and Halol branches of Muthoot Microfin in Gujarat on 24th Dec, 2016 organized two separate village level dairy awareness camps to educate dairy farmers about growing benefits in dairy profession.

Eminent Veterinarian Dr Jigneshbhai Patel led sessions in both the centres and provided training in various aspects of dairy farming to 80 participants at Borsad and 62 participants at Halol.

Participants at both the venues were imparted training in artificial insemination, pregnancy diagnosis and milk handling. Nearly 80 per cent of India's milk production is contributed by small and marginal farmers, with an average herd size of one to two milking animals.

The programs, organized as part of Muthoot Microfin's community engagement initiatives were mainly focused to facilitate and educate rural farmers on latest technologies available in dairy development profession. Dairy farming is a large unorganized sector in India and a major source for livelihood in the rural areas.





## ‘VOICE’- EMPLOYEE SATISFACTION SURVEY

Muthoot Microfin has published the results of ‘Voice’ – an Employee Satisfaction Survey conducted to assess and improve the motivation and morale of its largely growing work force by reaching out up to the last mile employees in the hierarchy. The voluntary survey, open to all employees of the organisation was taken by 2317 staffs out of 4212 employees then.

Key highlights of the survey...

- 82% respondents believe that Muthoot Microfin is an ethical organization
- 80% enjoy their work.
- 79% respondents believe that their supervisors/line managers demonstrate effective leadership.
- 75% were happy with their current job location.
- 74% believe that adequate training is given to employees.
- 78% believe working at MML is rewarding in terms of their growth.
- 71% feel that their job is secure at Muthoot Microfin.
- 79% feel that Management inspires confidence in employees.
- 71% employees are able to balance their professional and personal life.

The complete survey report is published at employees HRMS portal. Findings from the survey will be ascertained and studied to develop future employee engagement strategies of the organisation.



## MPG FOUNDER’S DAY CELEBRATED WITH ZEAL AND ZEST

Group Dance, Group Song and Ramp Walk were some of the events displayed by MPG staffs to mark this year’s MPG Founder’s Day celebrations held at Kottackattu Convention Centre, in Thiruvananthapuram on 5th February, 2017.

Around 1,000 MPG employees from across the nation participated in the day long celebrations with fervour and gusto which included high quality events held on competitive basis.

Dignitaries mentioned that all the activities were designed to contribute towards all-round development of the employees. Addressing the gathering, dignitaries urged the employees to remain competitive in their career and life.

Throughout the day, employees and management staffs from different MPG entities interacted with Directors and key personnel. The full day event turned out



to be a big success with felicitation, feast and festivity. The event held the audience in awe and left them enlightened as the show culminated.

A CSR presentation of various initiatives undertaken including the details of cleft lip surgeries for children through ‘Smile India’ campaign was presented. Presentations by Muthoot Homez and Muthoot Technologies offered insights into their futuristic projects.

The prize distribution function was a moment of pride and honour for all the winners and achievers. MPG conducts Founder’s Day every year to honour Mr Muthoot Pappachan who worked relentlessly with courage, faith and humility to establish the present-day MPG.

