

INSIDE

M Accolades | M Observatory | M Impact | M News



Accolades

## MUTHOOT MICROFIN REVENUE SOARS IN FY 2016-17



Mr Thomas Muthoot, Executive Director – Muthoot Pappachan Group

Muthoot Microfin Ltd. closed the FY 2016-17 on a high note with the company revenue soaring to ₹244 crore from ₹52 crore in the previous fiscal. The company's Asset Under Management reached ₹1775 crore from ₹653 crore, climbing over 171% year on year.

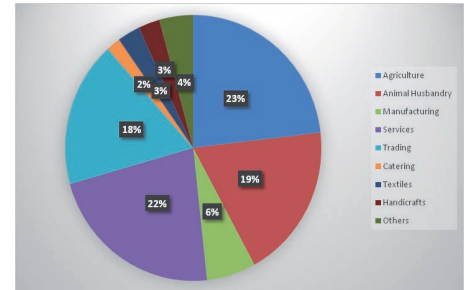
During the year, the company also raised \$20 million private equity investment from US based firm Creation Investments LLC. MML received CRISIL MFR-2 grading and managed to maintain its long-term debt rating at A- stable while the industry

underwent a turbulent phase. During the FY 2016-'17, MML disbursed loans worth ₹2028 crore and expanded its operations to 11 states across the country.

Mr Thomas Muthoot, Executive Director – MPG said, "this was possible by devising and introducing innovative, simple and easily understandable products for the targeted low income clients. We are sure that in coming years Muthoot Microfin will continue to make significant social impact in the markets we operate."

Observatory

### Client Portfolio Distribution by Activity



### Facts and Figures

Group Lending	
Districts	139
Branches	406
Centres	1,82,540
Active Members	11,55,417
Disbursement (March)	₹ 313.78 Cr
Total Disbursement	₹ 8386.93 Cr
	\$ 1299.99 mn

MSGB Loans	
Current Portfolio	₹ 181.28 Cr
Total Disbursement	₹ 516.97 Cr

Personnel Strength	
Field Staff	4999
Total Staff	5171





**Financials**

- Total profit (EBIT) for FY 2016-17 as of February 28, 2017 is at ₹281.38 crore.
- Operational Income for FY 2016-17 as of February 28 is at ₹400.20 crore.
- Operational Income for the previous fiscal same period was ₹386.01 crore.



**News-Highlights**

- Opened 7 new branches across Gujarat, Uttar Pradesh, Punjab and Odisha in March.
- MSGB Loans added 6,096 customers in March.
- MSGB Loans disbursed over ₹27.26 crores in March.
- IGL-Dairy added 1405 dairy farmers in March, disbursing ₹4.29 crores.
- Dairy Loan outstanding as on 31st March is ₹61.37 crores from 46228 Dairy Farmers.
- Training team conducted 124 internal training programmes in March.
- A total of 772 employees benefitted through the internal training programmes.



**Impacts**

## PERSISTENCE - THE KEY TO SUCCESS



Loan ID: MLKL#188

Life has taught Pushpa - a housewife turned small time business women from Mulki in Karnataka - a lot in the last 10 years as she now believes that determination and persistence are the key drivers of success.

Ever since her marriage, Pushpa and her husband has been doing the family trade of fish sales. They used to buy the daily catch of fish from the Mangalore port and nearby coastal areas of Mulki. However, the trade hardly gave her any opportunity to grow. The competition among sellers was high and she couldn't afford to buy fish in bulk to upgrade her business. The family also experienced financial hardship at many points of time.

Pushpa knew that she could earn more from her trade having large storage facility and bulk purchase. And hence, she never stopped looking for opportunities to raise some money and build the facilities. Fortunately, she met a Muthoot Microfin Relationship Officer who introduced her to the institution.

She was thrilled to learn about the operations of Muthoot and knew that the

weekly repayment schedule suited her business style.

She soon applied for a loan and the first cycle loan of ₹25,000 was granted immediately. She utilised the amount to increase her storage capacity and purchased more fish directly from the fisherman instead of buying it from intermediaries.

After a few months, her business began to provide more income enabling her to set up a stall and offer more varieties of fish. She also availed next loan of ₹40,000 from the institution and utilised it all for business expansion.

Muthoot loans had a significant impact on both her business and family. Pushpa's family now has enough money to save for future purposes. Pushpa says "I have no words to describe the help received from Muthoot at a crucial time; I feel secure now knowing there's an excess earning to cover things that I never thought were possible for me".

Pushpa is very happy with the positive outcomes that have resulted from the success of her business, and her family is very proud that she is able to contribute to the financial stability of the family.







# DETERMINATION BRINGS ACCOMPLISHMENT



Loan ID: KVPR#15/SC

Forty-year-old Amsaveni from Kovaipudur in Coimbatore, Tamil Nadu now owns a tailoring shop with three sewing machines and a cupboard of cloth for her clients to choose from.

Until six years ago, Amsaveni would spend her time looking for sewing jobs at other tailors' shops. Her husband is an auto driver in the nearby area and his earnings remained inconsistent and were not enough to meet the growing demands of the family that includes two colleges going students.

Having been a quality tailor since teenage and a casual worker at tailoring shops for several years, Amsaveni had always dreamed of running her own tailoring shop and lifting her family out of poverty. The only hurdle was she never had enough capital.

Later, she borrowed from a local money lender and opened a small tailoring shop near her home. However, the amount didn't even fulfil the burden of acquiring a rented room for the shop. She couldn't buy new sewing machines and enough raw

materials to kick-start her business. She was looking for another source of capital with easy and friendly repayment system. During this time, she was introduced to Muthoot Microfin by a friend and was happy to learn its provision of collateral-free small loans that aim to reduce poverty among borrowers.

She soon availed a loan of ₹15,000 and utilised the entire amount to buy raw materials required for a start. During the start of the business, Amsaveni was the sole cutter, designer, and tailor of her shop. She worked hard for first several months and her earnings improved tremendously from ₹150 a day at the start to ₹800 a day. She is now on her third cycle loan of ₹30,000 with the institution.

Through determination and hard work, today Amsaveni employs 3 workers from her neighbourhood and supply garments to nearby villagers in Kovaipudur. Amsaveni says, "Muthoot came to my rescue at the right time, I started with a loan of ₹15,000 and now the earnings from my shop are enough for my household expenditures, my child's school fees, and I have savings as well".

## MUTHOOT MICROFIN WINS JOB FAIR EMPLOYERS AWARD



Muthoot Microfin, the microfinance arm of 130 years old Muthoot Pappachan Group was awarded 'Job Fair Employers Award' by Ministry of Labour and Employment for participating in the mega job fairs held at Calicut, Thrissur, Trivandrum and Kothamangalam.

The mega job fair was organised by the National Career Service under Ministry of Labour and Employment, Government of India.

The award was presented by Mr Bandaru Dattatreya, Honourable Minister for Labour and Employment. The co organisers of the job fair were 'Make in Kerala Summit' and Kerala Chamber of Commerce and Industry.





Live

# MUTHOOT MICROFIN INTRODUCES AADHAR LINKED KYC & BIOMETRIC CREDIT CHECK



Muthoot Microfin has introduced Aadhar based KYC updation and biometric credit check & approval system in its microfinance loan processing IT infrastructure. This advanced and efficient use of technology will help the company reduce cost, improve efficiency and increase productivity.


The introduction of the system will enable better use of technology to support organizational goals and objectives of the

institution. With this new technological integration, the customers' KYC will be updated by linking it to Aadhar – this is enabled by scanning the iris of customers with digital tabs used by the Relationship Officers. The integrated credit check system in the tab will also check the credit worthiness of the customers with credit bureau agencies in a fraction of minute.

The whole system will cut a 2 days process

into 2 minutes timeline. With this system, the customer can also know her loan eligibility instantly. The company has already issued tabs to all its Relationship officers towards this functionality.

Muthoot Microfin has pioneered in many innovations in the microfinance industry with the help of technology and human resource. As an impact of the innovations, the process and system have become more transparent.



**HE MAY HAVE LEFT US TOO EARLY  
BUT HE HAS LEFT BEHIND A MEMORY  
WE WILL ALWAYS CHERISH.**

**Mr. S Kannan**  
05.08.1951 - 27.04.2017

We deeply mourn the loss of Mr. S. Kannan,  
Executive Vice President, Muthoot Fincorp Ltd.

