




## Accolades

# CRISIL ASSIGNS 'MFR2' GRADING TO MUTHOOT MICROFIN



Muthoot Microfin Ltd. has been awarded mfr2 grading by CRISIL, one of the most credible credit rating agencies in India. CRISIL MFI grading reflects the rating agency's opinion on the sustainability and scalability of the operations of the graded MFI.

CRISIL pioneered the concept of MFI grading and assessment services in India and has, so far assessed over 270 MFIs. MFI grading is a one-time assessment based on the information provided by the MFI. The grading is assigned on an eight-point scale - mfr1 (highest grading) to mfr8 (lowest).

Commenting on the achievement, Mr Sadaf Sayeed, CEO – Muthoot Microfin said “To be awarded 2nd best rating in just 1 years of operations of MML is a great achievement”.

“This rating reflects how well our operations are managed and how well we are building sustainable microfinance business. This is a testimony of great work by the company's employees. On a scale of 1 to 8, we are just behind by 1 spot of being granted the mfr1 grading, our aim is to achieve the highest grading in the next 9 to 12 months.” added Mr. Sadaf Sayeed

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## Observatory

### Per Capita Income per Month

Per Capita Income	Percentage
< = 1000	00.11%
1000 – 1500	04.09%
1501 – 2500	52.20%
2501 – 3500	33.12%
3501 – 5000	10.16%
5000 Above	00.33%

### Facts and Figures

#### Group Lending

Districts	118
Branches	363
Centres	1,80,225
Active Members	12,83,054
Disbursement (October)	₹ 229.91 Cr
Total Disbursement	₹ 7412.05 Cr
	\$ 1094.75 mn
Repayment Rate	99.10 %
PAR> 30 Days	0.90 %

### MSGB Loans

Current Portfolio	₹ 173.42 Cr
Total Disbursement	₹ 435.81 Cr

### Personnel Strength

Field Staff	4518
Total Staff	4686



**Impact**

## BREAKTHROUGH AT CRUCIAL JUNCTURE



Loan ID: NLSH#45

Reeya Vinod, a 37-year-old housewife from Nileshwaram in Kasaragod district of Kerala is now a successful micro entrepreneur running her own tailoring unit. She is leading a happy life with her husband and two children.

However, hardly 5 years ago, she was struggling doing tailoring at home without any success. Her work was hardly providing any earnings to her family which was already troubled by the inconsistent earnings of her husband who works as a driver.

She was looking for a breakthrough as she was aware of her talent in tailoring. She wanted to open a small tailoring unit but lack of investment remained a major obstacle.

For a time, she felt dejected and continued her less successful trade. Then, in 2012, her fortunes changed for good after she was introduced to Muthoot Microfin by a relative. She was impressed to know about the institutions services. She soon joined a -joint liability group- and availed first cycle loan of ₹10,000 from Muthoot. After improving her surroundings with the money and working hard for six months. Her daily

income began to climb slowly and repaid her first cycle loan through easy weekly instalments.

With regular income, though small, she got the confidence to go for the tailoring shop and when she was granted the second cycle loan of ₹20,000 from Muthoot, Reeya rented a small shop on the busy streets of Kottumpuram in Nileshwaram.

She bought a new sewing machine and with new infrastructure, Reeya received large stitching orders and her daily income rose to ₹1000 in a year. She recently availed her third cycle loan of ₹35,000 and has plans to change her tailoring shop to a boutique as she thinks that is the new business trend.

Reeya now motivates other women in her community to follow her footsteps. She wants to see more women from the area to join the success bandwagon and has already recommended Muthoot Microfin to her friends and relatives.

A thankful Reeya says "Muthoot Microfin transformed my life for good; I never expected to receive a loan with such ease and that too without collateral security; Muthoot helps poor people like me and I wish them all success".

**Provisional Financials**

- Total profit (EBIT) for FY 2016-17 as of September 30, 2016 is at ₹179.78 crore.
- Total profit (EBIT) for the previous fiscal same period was ₹176.43 crore.
- The profit increased 2% in September, 2016 year on year.
- Operational Income for FY 2016-17 as of September 30 is at ₹233.96 crore.

**News-Highlights**

- Opened new branches in Morbi and Junagadh (Gujarat)
- MSGB Loans added 3,936 Customers in October.
- MSGB Loans disbursed over ₹18.09 crore in October.
- IGL-Dairy added 1924 dairy farmers in October, disbursing ₹5.85 crore.
- Dairy Loan outstanding as on 31st October is ₹79.26 crore from 57,728 Dairy Farmers.
- Training team conducted 199 internal training programmes in October.
- A total of 1521 employees were benefitted through the internal training programmes.


**Impact**

## TIMELY TURNAROUND HELPS HER CAUSE



Loan ID: OTTC@171

Meenakshisundari, the 41-year-old housewife turned small scale entrepreneur, lives at Muthalamman kovil street, Dindigal district in Tamil Nadu with her husband and only son. She never thought in her wildest dreams that she would become a successful small time entrepreneur one day.

When Meenakshisundari came to the village after marriage, her husband's family was almost penniless. The family often struggled as her husband was not doing too well at his tyre resole business. The situation prompted Meenakshi to start something of her own. She along with three of her neighbours started a small business of selling clothes to households. They will purchase clothes from Tirupur or Coimbatore and resell it with minimum profit. The business however remained dismal as they couldn't buy materials in bulk and increase profitability.

They needed more investment but they had no idea how to raise it. Meenakshi then decided to part ways with her business partners and started her own business with minimum stockpiles. She ran her business without much success for 6 months. She desperately wanted to continue her business

and was on the lookout for any opportunity to raise some money.

When Meenakshi found out about Muthoot Microfin's operations in the area, she enquired about its operations. She was impressed and felt relieved when a Credit Officer explained her all the details. She soon joined a group and availed first cycle loan of ₹10,000. She used this money to buy and sell readymade garments in the nearby villages. Initially, she went door to door and worked hard to save money.

After closing the first loan, confident about the sales and her hard work, she took a second cycle loan of ₹20,000 and upgraded her business. She arranged a portion of her home as shopping space and put a banner indicating her business outside the home. Her daily earnings grew steadily and average earnings began to hit ₹500 after a few months. Later, she availed the third cycle loan of ₹30,000 and expanded her business further with more stocks. Meenakshi sundari is an inspiration and a role model to others in her village today.


**Initiatives**

## EMPLOYEES DONATE BLOOD AT NAGPUR & COIMBATORE CAMP



Muthoot Microfin organised two separate blood donation camps in Nagpur and Coimbatore.

The donation camp held in Nagpur on 1st October 2016 was organised jointly by the Maharashtra and Odisha zone while Coimbatore Zone organised the second camp in Singanallur, Coimbatore on 22nd October 2016.



62 employees from various locations of Maharashtra and Odisha travelled long distances to donate blood at the Nagpur camp, organised in association with Life Line Blood Bank, an NGO based in Nagpur.

50 employees donated blood in the Coimbatore camp organised in association with Santhi Medical centre, a registered public charitable trust based in Coimbatore.

Employees participated voluntarily in both the programmes and were presented with certificate of appreciation and a donor card. Medical teams appreciated the efforts of Muthoot Microfin for successfully conducting the camps.

# NURTURING GRASSROOT LEVEL CRICKETING TALENTS

Muthoot Pappachan Group in a unique corporate initiative has been associated with Ernakulam Cricket Club (a non-profitable trust formed to promote cricket and cricketing talents) and founded Muthoot Cricket Academy for more than a decade ago supporting grassroots level talent acquisition and coaching.



MCA was set up under Mr Thomas Muthoot's (Executive Director, Muthoot Fincorp) patronage to provide guidance and coaching to young and talented budding cricketers. In 2012, Mr Muthoot aligned the academy under Muthoot Pappachan Group's CSR philosophy in creating better citizens through sports and games.

Following the CSR guidelines, the academy also focuses on uplifting talents from underprivileged areas and backward sections. Mr Muthoot, a keen sports enthusiast, believes in creating better citizens out of the academy if not international sportsmen.

The academy, situated at Edappally High School Ground, in a peaceful green belt area of Kochi is well connected by public transport system. For the past ten years, MCA is involved in promoting cricket at the grassroots level by providing good conditions for practice, disciplined atmosphere and by appointing extensively experienced coaches to train the budding cricketers.

Apart from structured coaching programs, players are provided with the exposure of regular matches, tournaments and advisory sessions with experts. The Academy also offers free scholarships to help economically backward but talented players in getting free training, amenities and sports gear.

Mr Siva Kumar, known as the mentor of S Sreesanth and the Founder Chairman of the Ernakulam Cricket Club – under which the academy work says "Here at Muthoot Cricket Academy, we allow children to grow while playing their favourite game and also guide them to be quality citizens not just quality players, These players learn valuable lessons for life: self-sufficiency, the rewards of hard work, critical thinking and personal development at our academy".

Realising the competition to rise through the game, the academy not only trains the talents but has offered job opportunities for a few players ensuring sustainability of their career outside cricket. Muthoot Pappachan Group also sponsors 6 different teams playing professional cricket under the Ernakulam Cricket Club (ECC).

## FACILITIES IN THE ACADEMY

ASTRO TURF WICKET  
FITNESS FACILITIES  
REGULAR TOURNAMENTS  
PROFESSIONAL COACHES  
PASSIONATE MANAGEMENT  
MODERN COACHING FACILITIES

At present, the Academy has 55 promising young cricketing talents polishing their skills. Remarkably, out of the 24 players recently selected for the District team, 9 players were from Muthoot Cricket Academy.

The Muthoot Cricket Academy is the only one in South India with 3 state panel umpires and 5 coaches including NIS certified professionals. The Academy also has professional in-house curators, scorers and video analysers to help the talents hone their skills.

## MCA PRODIGIES



K K Jiyas with Mr Thomas Muthoot, Executive Director – Muthoot Pappachan Group

Jiyas was a part of Rajasthan Royals development squad and a member of Delhi Daredevils junior team. Represented Kerala cricket team in under 19, 22, 23 and 25 age categories



17-year-old Ibnul Aftab got selected to IDBI Federal Pace academy as one among the top 5 pace bowlers in Kerala. Ibnul is currently under Mr Jeff Thomson's training.

The Academy conducts Muthoot Pappachan Memorial - All Kerala Inter-Club T20 Cricket Tournament, one of the best-organised tournaments in the Kerala Cricket Circuit with top teams contesting for the title.