



Accolades

INSIDE

- M Accolades
- M Observatory
- M Impact
- M News
- M Initiatives

MUTHOOT CAPITAL TO ENTER CAR LOAN SEGMENT



Mr. Thomas George Muthoot, Director - Muthoot Pappachan Group

Muthoot Pappachan Group's vehicle finance company, Muthoot Capital Services is planning to widen its reach to the national level and enter the car loan market.

"We are a leading provider of two-wheeler finance in the South. Our aim is to emerge as a leading national player in two-wheeler loans. We are also planning to make a foray into new car/used car financing," Managing Director Mr Thomas George Muthoot said.

Stating that there is a huge demand-gap in the used car financing, he said, "There

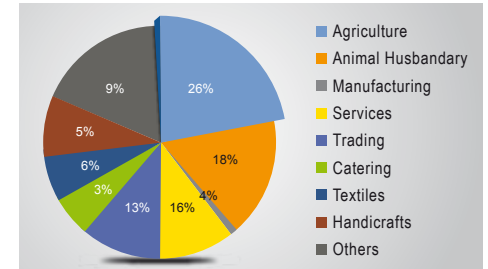
is a growing demand for used car loans and we hope to cater to this demand."

Mr. R Manomohan - CEO, MCSL said the company is targeting major growth from the northern states and from West Bengal in the current financial year and will be tapping the debt market to drive growth by selling NCDs, CPs, securitisation etc.

MCSL two-wheeler financing is known for its 'ladies only' loan scheme, which offers loans at special rate to women. The scheme is available across 15 states where Muthoot Capital has its presence.

Observatory

Portfolio Distribution by Activity



Facts and Figures	
Group Lending	
Districts	113
Branches	344
Centres	1,61,334
Active Members	12,39,506
Disbursement (July)	₹ 194.06 Cr
Total Disbursement	₹ 6757.87Cr
	\$1011.35 mn
Repayment Rate	99.34 %
PAR > 30 Days	0.66 %

MSGB Loans	
Current Portfolio	₹ 172.32 Cr
Total Disbursement	₹ 380.82 Cr

Personnel Strength	
Field Staff	4228
Total Staff	4348



 Impact

SLOWLY BUT STEADILY



Loan ID: MRKD#206

Rejitha Anish from Kottayam district in Kerala was a typical housewife until a couple of years back. The 32-year-old mother of two children did not expect to be an entrepreneur one day. For the last several years, Rejitha's family had struggled to earn enough money to survive as her husband Anish, who is a daily labourer, often found it difficult to get work every day. The situation forced Rejitha to do something to earn for her family. She and her husband finally decided to open a small shop at the busy Manarcadu bus stand with the help of their friends.

Rejitha opened her shop with a few products and quickly noticed that her business has good prospects ahead. However, in order to stay competitive, she needed to offer a more products from her store. Meanwhile, raising enough money to purchase new products remained a problem for her. She approached some financial institutions for a loan but all of them denied support citing lack of collateral security.

She was introduced to Muthoot Microfin at this time and was impressed by Muthoot's

operations. She soon joined a JLG and was granted the first cycle loan of ₹15,000 in quick time. She invested the loan to purchase more items towards her store. After a while her daily income climbed to ₹300 a day enabling her to manage the business even better.

Rejitha repaid her first loan in full and availed her second cycle loan of ₹25,000 to further invest in the business and secure their livelihood. She started putting away some savings, too. Her two children are studying in better school now, and together with her husband, she's working hard to give them the best she can.

Today, she doesn't have to worry about earning enough for her family. She now plans to save money to expand her business and wants to continue her association with Muthoot Microfin. She says "Muthoot Microfin's support was really important for me because they didn't ask me for collateral, and I repay on a weekly basis, which is better for me and helps me put more money in to my business".

 Provisional Financials

- Total profit (EBIT) for FY 2015-16 as of June 30, 2016 is at ₹101.77 crore.
- Total profit (EBIT) for the previous fiscal same period was ₹81.98 crore.
- The profit increased 24% in June, 2016 year on year.
- Operational Income for FY 2015-16 as of June 30 is at ₹125.76 crore.

 News-Highlights

- Opened new branch in Sirsi (Karnataka).
- Started offering MSGB loans from Odisha and Madhya Pradesh.
- MSGB Loans added 2878 customers in July.
- MSGB Loans disbursed over ₹13.49 crore in July.
- IGL-Dairy added 1832 dairy farmers in July, disbursing ₹5.45 crore.
- Dairy Loan outstanding as on 31st July is ₹85.84 crore from 60445 Dairy Farmers.
- Training team conducted 215 internal training programmes in July.
- A total of 1871 employees were benefitted through the internal training programmes.

CUTTING HER OWN WAY TO SUCCESS



Loan ID: ARKN#20/SC

Faseela Ajmal is a 39-year-old mother of two young children from Edakkatuvayal near Piravom in Ernakulam district, Kerala. Born and brought up in this rural area, Faseela did not get an opportunity to even complete her primary education. For the past few years, she has been working as a tailor at a nearby stitching unit bringing home a small salary that only helps to meet home expenses and send her two children to school.

However, her family remained under the clutches of hardships as the income of her husband who works as a daily labourer remained paltry and inconsistent at times. The situation prompted Faseela to search for any other way of income to the family. She was aware of her sewing skills and wished to start her own tailoring unit.

Faseela somehow managed to open a tailoring unit near her home with loan from a private institution. However, even after a year of operations, the situation didn't improve and her daily income remained around ₹150 which was inadequate to run a family of four. She could

not afford enough materials to increase production and grow her business. So when a friend told her about Muthoot Microfin and its operations that supports small businesses, Faseela decided to give it a try.

She soon joined a group and received her first cycle loan of ₹15,000. With that money, she was able to buy a brand new tailoring machine to produce more readymade clothes to increase her income. Slowly Faseela's daily income climbed to ₹500. A year later, Faseela is on her second cycle loan of ₹ 30,000 and has more than doubled her production. She bought two more new sewing machines and purchased raw materials in bulk and also employs two of her neighbours in the unit.

Her tailoring unit now receives orders to stitch clothes for nearby textile shops apart from her neighbours. A thankful Faseela says "Muthoot Microfin's timely loan has been so good to me and their guidance's apart from the money helped me to make my business grow into a new level; I would like to continue my association with Muthoot Microfin in the future".

GUJARAT REGION HOSTS BIGGEST 'ONE BRANCH ONE TREE' CAMPAIGN



Continuing with Muthoot Microfin's 'One Branch One Tree' campaign, Godhra and Modasa branch in Gujarat organised a big tree planting ceremony on 23rd July 2016 at Khadiya Village near Godhra.

The programme, organised in cooperation with the Forest department of Gujarat, was one of the biggest events held under the 'One Branch One Tree' campaign in which a total of 193 saplings were planted (representing each employee of the region of Gujarat).

Village Sarpanch Mr Dineshbhai Parmar and Forest Officer Mr. Jaydeep Solanki were the chief guests at the function and also planted saplings to join the campaign. Mr. Dineshbhai Parmar appreciated the efforts of Muthoot Microfin and promised to take care of the plants with the help of local gardeners.

Forest Officer Mr. Jaydeep Solanki said he will introduce this initiative to his superiors and also spread the campaign to other parts of the state.



MUTHOOT MICROFIN SERVES RELIEF KITS TO BEED FLOOD VICTIMS



In response to the flash flood disaster in Kolhapur district of Maharashtra that left many people without basic necessities, Muthoot Microfin distributed free food kits to flood-affected households in the region.

In Beed, one of the worst affected villages

in the flood, the company distributed relief kits that include rice, dal and cooking oil apart from other relief supplies and hygiene kits to about 75 households on July 20, 2016.

Beed village Sarpanch Mrs. Suvarna Suryawanshi and Dy. Sarpanch

Mr. Chandrakant Gaykwad attended throughout the initiative and distributed relief kits to the victims at the venue. The local body authorities appreciated Muthoot Microfin's commitment to be a part of the flood relief operations in the village which was isolated following heavy rains.



MUTHOOT LAUNCHES GOLD RECYCLING HUB IN BENGALURU

after Coimbatore, Chennai, Delhi, Mumbai, Kolkata, Ahmedabad and Vijayawada. The company has claimed that the scheme has helped the government cut down the import of gold, by garnering and channelizing domestic unused gold to productive use.

According to estimates, gold recycling has not been tapped to its fullest in India and it mostly happens in the unorganised sector. The company through its centres will buy old and used gold items directly from customers, reprocess, refine and supply refined bars for domestic consumption, with the objective of reducing dependence on gold imports.

After the initiative was launched in November 2015, the company was able to recycle 140 kg of used gold. Muthoot Exim plans to have 14 to 15 Muthoot Gold Point Centres by the end of 2017 and recycle about one tonne of scrap gold by 2018.

Muthoot Exim, the precious metals division of the Muthoot Pappachan Group (MPG), has launched its gold recycling centre in Bengaluru. Muthoot Gold Point is the eighth centre in the country,