



RIDING OUT THE 'COVID-19' STORM

The threat of Coronavirus (Covid-19) has consumed the entire world. The world is facing a severe economic slowdown and at this point, we are working on overhauling our short-term strategies to efficiently ride out this Covid-19 storm.

It would be highly difficult to speculate the short-term economic impact. However, in every crisis lies an opportunity. As per many analysts, the rural sectors would face a short-term financial crunch post the lockdown and microfinance institutions will play a major role in meeting this rising demand for funds. Hence, after this hiatus, we are expecting a strong rebound in the microfinance industry.

As an organisation, Muthoot Microfin has enough liquidity to tide over any risk arising out of 'Covid-19' lockdown situation. Our strong relationship with banks, funders and stakeholders has ensured ample flow of funds to continue our functions without impacting the operations – substantiating the trust of all stakeholders upon the organisation and on our operational competence.

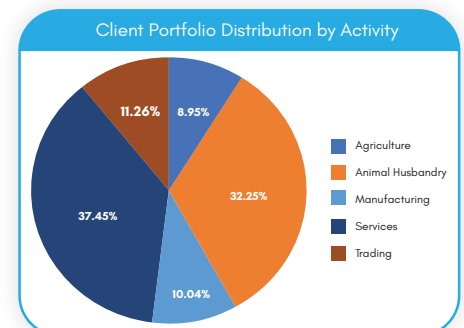
Considering this lock-down as an inevitable measure to protect our country from a widespread Covid-19 outbreak, we are obliged to obey and follow the government guidelines and restrictions.

As an institution, our brand name possesses indisputable goodwill and trust – both with our customers and stakeholders. Be assured that we will overcome this situation and emerge further stronger.

Sadaf Sayeed
(Chief Executive Officer)

Client per capita Income/month	Percentage
< = 1000	00.01%
1000 – 1500	01.02%
1501 – 2500	15.04%
2501 – 3500	40.60%
3501 – 5000	36.41%
5000 Above	06.93%

Operational Highlights	
Districts	276
Branches	692
Active Clients	18,83,479
Disbursement (Apr)	₹ 0.04 Cr
Total Disbursement	₹ 14,457.56 Cr
Field employees	6,884
Total Employees	7,162





DETERMINATION DRIVES TO REALISATION

Loan ID- P2DY@294/SC

Vasanthi M, a 39-year-old mother of three children, dwelling at Kurumbapet in Pondicherry believes that determination and persistence are the key drivers of success. Seven years ago, Vasanthi and her husband started a small grocery shop near her home in a hope to attain financial independence.

Unfortunately, the shop did not perform well to make both ends meet and the family was forced to consume goods at the shop which was meant to sell. As a result, the family of five was relied on external borrowing for a decent living.

Vasanthi desperately wanted to revamp her shop to come out of debt and approached many financiers for a loan. However, lack of collateral security demanded by the financiers remained an obstacle for her to obtain a loan. Luckily for her, she discovered Muthoot Microfin through a relative and was thrilled to know its hassle free but very effective loans.

Vasanthi joined a local JLG and immediately availed her first cycle loan of ₹20,000. She utilised the entire amount to purchase enough raw materials for the shop and was able

to expand her product lines that brought more customers. Within months, earnings from the shop increased three folds to hit ₹700 a day.

Muthoot Microfin also provided her with basic business acumen and financial literacy trainings. She availed next cycle loans up to ₹75,000 from Muthoot and introduced fast moving and quality products at the shop. With her improved skills and discipline, Vasanthi successfully increased her business profits over time. She was also able to save for the first time.

Vasanthi's earnings are now the primary source of income for her family. Vasanthi and her family are now able to focus more on their future with a goal of providing a better life for their children. Vasanthi is proud of what she has accomplished for her family.

She says "Muthoot Microfin really changed my life for good; timely financial support with easy instalments helped my business to survive and made it to a profitable one and I am looking for more Muthoot Microfin loans to further expand the business".



A STITCH IN TIME SAVES NINE

Loan ID- 1104630201004180

Sima Devi, a 32-year-old housewife from Sasaram in Bihar was a skilled tailor and ran a modest kirana store without much earnings, until she availed microfinance loan from Muthoot Microfin 2 years back and expanded her horizon.

The mother of two used the loan amount to buy a new sewing machine and to purchase more goods to her modest kirana store.

After promptly repaying her first loan, she availed second cycle loan of ₹50,000 and invested it again in her business. The company also offered her business acumen and financial literacy trainings.

Her situation was completely different two years ago. She was running the Kirana store with her husband with little profit and was looking out to find more ways to ensure a steady stream of income for the family. Having learned tailoring, she realized that sewing has good prospects in her community and very few sewing options were available at her village. Sima had learnt sewing in her teens but did not take up as a profession mainly due to non-availability of a decent sewing machine. With the

second loan, she bought a good sewing machine and set up a space in her home for tailoring. She now has customers even from neighbouring villages.

Her weekly income rose significantly over the time and now she earns at least ₹2000 from mere ₹400 earlier. Sima is now able to send her children in a better school and pay for their education.

Sima's increased level of confidence and success turned her into a leader and role model for other women in her community.

She is now concentrating mainly on her sewing and her husband is involved in the kirana store on a full-time basis. Sima wants to inspire other women in her village to utilize their time and talents to create their own sustainable, small businesses to improve their families' standard of living.

She says" I will recommend Muthoot Microfin to all the people I know who has the potential to come up in life with a little help".

#WomenBeTheChange Initiative



Joining the fight against Covid-19 pandemic, Muthoot Pappachan Group will distribute face mask to the needy as a part of its unique initiative #WomenBeTheChange.

Under the initiative, the customers of Muthoot Microfin – women entrepreneurs – will make face masks for MPG. Initial order of 1 lakh face masks has already been placed with these women entrepreneurs.

Commenting on the initiative, Mr Thomas Muthoot, MD - Muthoot Microfin said, "#WomenBeTheChange is unique and serves a dual purpose in empowering women as well as, fighting the pandemic and we are so glad to be a humble part of the same".

Distributes Face Masks & Protective Gowns

To ensure the safety of frontline health professionals and civic authorities in the fight against Covid-19, Muthoot Microfin distributed ten thousand facemasks and five hundred protective gowns to the Covid-19 ward operating at the Ernakulam collectorate, Indian Medical Association and traffic police in the Kochi city.

All the safety equipment was made by the customers of the organisation by following proper procedures and guidelines. During the lockdown, these orders further helped the women entrepreneurs in sustaining their work.



Muthoot Microfin Spreads Awareness Among Customers

During the lockdown, the organisation contacted each of its customers to spread awareness about Covid-19 and to explain about the RBI announced moratorium.

Through the company's massive operations wing, the customers were contacted via telephonic calls to educate them about safety precautions to be taken against coronavirus and to further explain and help them in understanding and applying for the loan moratorium.

Moreover, an illustrative and explanatory video on moratorium was also created to circulate among microfinance customers to clear their doubts and concerns.