

ACCOLADES



#RestartIndia BY MUTHOOT PAPPACHAN GROUP GAINS THRUST

'#RestartIndia', a mentoring platform launched by Muthoot Pappachan Group in partnership with INK talks has gained momentum over the last two months. The initiative launched in July this year is a free of cost mentoring platform for small businesses.

The entrepreneurs' queries related to restarting their business post the Covid-19 lockdown are answered by mentors and industry experts at www.restartindia.in. The website also provides information on various schemes offering financial support to restart business.

The campaign was initiated following customer feedbacks related to concerns in restarting their business during the persisting Covid-19 crisis. The Group identified that the segment was in dire need of direction and working capital to restart their businesses which was the need of the hour for many.

Muthoot FinCorp in association with INK talks began this mentoring platform to create an innovation ecosystem for small businesses. Muthoot FinCorp has also launched different schemes such as 'Interest Free Gold Loan' and "Ashwas Dinam Gold Loan" to help MSMEs effortlessly raise funds to restart their businesses.

Commenting on the initiative, Ms Tina Muthoot, Impact Director - #RestartIndia said, "Face-to-face interaction, quick order fulfilment, personalized care & customized offerings all make small businesses unique. Small businesses possess a unique identity that they haven't even realized, and we want to make that known."

OBSERVATORY

Operational Highlights

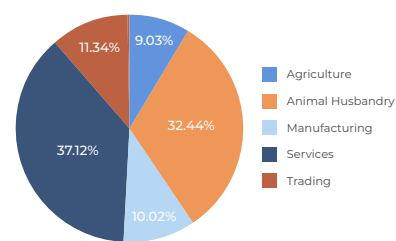
Districts	:	263
Branches	:	737
Active Clients	:	17,99,806
Disbursement (Sep)	:	₹ 257.98 Cr
Total Disbursement	:	₹ 14,803.46 Cr
Field employees	:	6,296
Total Employees	:	6,556

Client per Capita Income/Month

Percentage

<= 1000	00.20%
1000 – 1500	00.96%
1501 – 2500	13.81%
2501 – 3500	39.39%
3501 – 5000	36.78%
5000 Above	08.85%

Client Portfolio Distribution by Activity



AIMING FOR EMPOWERMENT

Vembarasi, a small scale shop owner from Virudhunagar in Tamil Nadu is the breadwinner for her family, including her husband and two children. Vembarasi built and maintained the store in front of her house with the support of Muthoot Microfin loans.

Vembarasi first approached Muthoot Microfin in 2019 when she needed some capital to set up the store. Up to that point, the family relied solely on her husband's income who was a daily labourer. But when he suddenly became ill and was unable to work anymore, Vembarasi knew she had to find a way to contribute to the family.

Then, she was introduced to Muthoot Microfin by a neighbour and after understanding about the organisation and its operations, she knew it could be her chance. She got together with some neighbors, and they formed a JLG and applied for the first cycle loan.

Vembarasi used her first cycle loan of ₹10,000 to set up the shop and buy essential goods. Her situation improved thereafter. She earned several loyal customers within weeks and her income began to increase. Apart from financial support, Muthoot Microfin also provided her financial literacy and business acumen trainings.

During the training, Vembarasi realized the need and importance of diversification in order to have a wider source of income. She availed second cycle loan and brought in more fast moving items to her shop. Her revenue increased further and this allowed her to save money for the future of the family.

Her confidence grew as she could pay back every loan promptly. Recently, she availed third cycle loan of ₹50,000

to continue expanding her shop. She is now planning to open a stationary cum provision store in the main street with further Muthoot Microfin loans. Vembarasi is one of the many Muthoot Microfin customers who have turned their life around with a little external support.



BECOMING A ROLE MODEL

Manjula Pobbthi from Belthangdy in Karnataka is a 38 year old tailor with more than a decade of experience in sewing. Her expertise is well known in the locality where she lives with her husband and 4 children. However, she became an accomplished entrepreneur only after her association with Muthoot Microfin two years ago.

Two years back, she was searching for some capital to formally establish her tailoring business but failed to raise the money as she did not have any security to offer. At the time, she was introduced to Muthoot Microfin by a friend. Manjula was impressed by the simple procedures and soon joined a JLG and availed the first cycle loan of ₹10,000. She utilised all the money to buy a modern sewing machine and necessary raw materials to get a start.

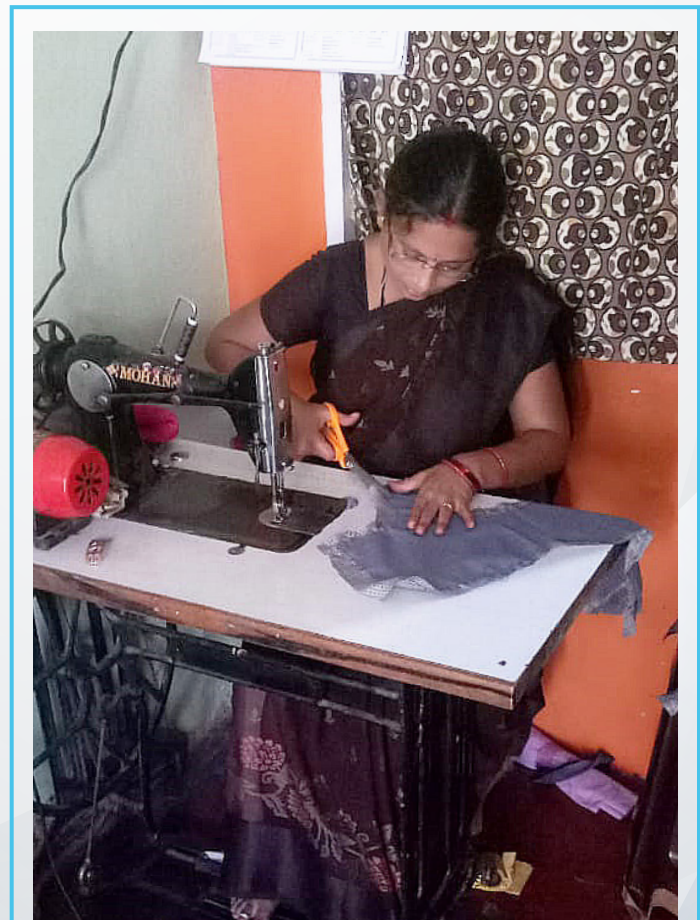
Manjula paid attention to the changing needs of her clients and good customer service enabled her to build a loyal cadre of customers. Her profits also increased to hit an average ₹500 a day. Manjula paid back her first loan promptly and is now on her second cycle loan of ₹50,000; with that money, she bought another sewing machine and an embroidery machine and appointed a neighbour at the unit to increase the output.

Manjula now understands what it takes to develop a business and views her shop as a long-term investment, a source of steady and growing income for her family.

She has come a long way since she first opened the shop. With the improvements she made with Muthoot Microfin's assistance, she now earns around ₹4000 each week. Manjula's increased level of confidence and success

turned her into a leader and role model for other women in her community.

Today, she even receives orders from neighbouring villages. While she takes great pride in her accomplishments, she says, it is the timely support from Muthoot Microfin which helped her reach where she is now.



COVID-19 AWARENESS & FACEMASK DISTRIBUTION HELD IN RAIPUR

Continuing the fight against Covid-19, Muthoot Microfin's Raipur branch in Chhattisgarh organized awareness sessions and facemask distribution in the city and outskirts on September 19, 2020.

As part of the initiative, the entire Raipur branch staff volunteered and distributed thousands of facemasks to public, police personnel and health workers in the city outskirts of Bhanpuri, Gogaon and Gondwara Industrial area. Facemasks were also distributed to policemen at Gudiary and Amanaka police stations.

The objective of the program was to create awareness among public about the precautions to be taken to control the spread of the Covid-19 in the wake of increasing infection along the slums and rural outskirts of Raipur. The volunteers urged the public to follow all government guidelines regarding covid-19 to prevent and protect themselves and others from the infection.



MFIs MAKE REMARKABLE RECOVERY IN SEPTEMBER

Microfinance industry in the country is recovering fast as repayment rates have returned to 80-85 percent in September, said P Satish, Executive Director of Sa-Dhan, Self-Regulatory Organisation (SRO) for microfinance institutions.

After falling to low levels in March quarter, disbursement levels have improved significantly in September. Collection rates are also picking up, so are disbursements of small loans. Rural entrepreneurs, who suffered most due to COVID, are tweaking their small business strategies to adjust to the new normal. Overall, the funding scenario has also improved.

The MFI industry, which is largely dependent on rural India, had come to a complete halt during lockdown as the risk of infections and the Covid-19 guidelines made the collection process nearly impossible during the period.

However, beginning September, normal activities are slowly returning to the sector. The rural economy which was hit hard by COVID is slowly getting back to normalcy. Customers are adjusting to the new normal. With collection rates picking up and disbursements improving, MFIs are past the critical phase.

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