

### ACCOLADES

## MUTHOOT MICROFIN WINS EMERGING COMPANY, CEO BAGS INDIAN ACHIEVER AWARD



Muthoot Microfin has won two awards at Indian Achievers' Awards 2020-'21 in recognition of outstanding professional achievements and for inspiring social contributions. Indian Achievers' Awards is organized and hosted by Indian Achievers' Forum.

Muthoot Microfin won the Emerging Company award and the organization's CEO Mr Sadaf Sayeed won Indian Achiever Award at the 2020-'21 edition. The award was presented virtually due to the ongoing COVID-19 scenario.

The platform honors businesses that have achieved outstanding success in their respective realms. The awards are given across 16 categories and multiple business areas, such as IT, human resource, etc.

Indian Achievers' Forum has a strong credential of more than 20 years in felicitating outstanding achievements at National and International platforms.

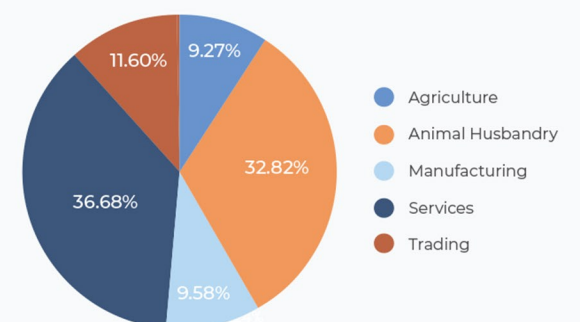
### OBSERVATORY

#### Operational Highlights

Districts	263
Branches	745
Active Clients	17,89,070
Disbursement (Dec)	₹ 360.84 Cr.
Total Disbursement	₹ 15,767.91 Cr.
Field employees	6,530
Total Employees	6,797

Client per capita Income/month	Percentage
< = 1000	00.19 %
1000 – 1500	00.88 %
1501 – 2500	12.77 %
2501 – 3500	36.69 %
3501 – 5000	36.86 %
5000 Above	12.61 %

#### Client Portfolio Distribution by Activity





## IMPACT

# IN PURSUIT OF PROGRESS

54-year-old Reshmabi of Kolhapur in Maharashtra describes herself as a strong woman in business who easily embraces change. She and her family have been in the grocery business in their village for the last 7 years. Reshmabi is married to Sardar and they have two children.

However, her situation was not that good prior to her association with Muthoot Microfin. Reshmabi started the kirana store in a small scale and used her limited earnings to provide the basic needs of the family. The business was not doing quite well and did not have a significant impact on the family's welfare.

Searching for fund to develop her business, she learned about Muthoot Microfin and joined a JLG to avail her first cycle loan, which she used to buy new stocks. With more stocks in the shop, Reshmabi began experiencing a gradual and steady increase in sales.

Eventually, Reshmabi's family no longer relied on her husband's earnings. The business, once born out of necessity, has turned into a source of steady income. The loan enabled and motivated Reshmabi to create her first savings account and a mobile banking account.

She likes keeping her money in the account, instead of in the house, so that she can be deliberate about how she spends it.

With the success of Kirana store, she now plans to turn it into a provision store. She has now become an inspiration for other women in her village and they often ask Reshmabi for advice about starting an enterprise. She always stresses the importance of sufficient capital up front and advises them to take hassle free microfinance loans for a start.

Reshmabi says "I am very impressed by the hassle-free loan procedures of Muthoot Microfin as it supports people, especially women like me for bettering their life for good".



LOAN ID - 11020000101003838

MUTHOOT MICROFIN



# HARD EARNED SUCCESS



LOAN ID - 1104880101002250

Thirty-eight-year-old Sevnatiben had struggled a lot in her life because of poverty but never gave up. With a microfinance loan and most importantly by her own efforts, she founded a small kirana shop which became a source of livelihood for her family.

Sevnatiben, who now lives in Samarpada in Gujarat, got married at a very young age, lived a hard life as her husband's income remained paltry and inconsistent. She wished to open a kirana store adjacent to her house but was unable to implement the idea due to lack of capital. She was looking for a way to raise some capital, when she knew about Muthoot Microfin from a friend.

She took her advice and availed microfinance loan from the organisation. Sevnatiben was also impressed by the easy procedures and enjoyed the warmth and respectful welcoming she received from the company.

With the first cycle loan, she immediately set up her kirana shop. She chose fast moving items at the shop enabling her to increase turnover, and acquire a decent customer base within a few weeks.

Sevnatiben also received training on how to manage her business, finance and the importance of diversification in order to have a wider source of income. Over the course of four months she was able to save enough income to cover all expenses of the family.

Sevnatiben is now on her second cycle loan and is looking to sustain and expand the shop in order to support her growing children and assure them better living standards. Her Kirana shop is well known in the area due to her competitive prices and her reputation as a good shop keeper. She plans to use subsequent Muthoot Microfin loans to broaden her sources of income even further by diversifying into more micro ventures and expanding her present business.



## UPDATES

## MICROFINANCE SECTOR TO ADVANCE ON DIGITALISATION: NOMURA

Microfinance sector in the country is expected to grow rapidly over the coming years, helped by technology that lets MFIs manage costs more efficiently, according to a Nomura report. In a report titled 'Microfinance- the next decade of opportunity', Nomura said microfinance institutions, despite facing certain risks, have become a "meaningfully large segment" in India.

The segment has grown at an annual rate of 23% over the last eight years to reach an asset size of ₹ 3.4 trillion. It is now one of the biggest retail segments after mortgages and is among the best performing among nonbank financial companies.

Nomura estimates that penetration levels by Indian microfinance lenders have improved to about 38% of the addressable market now, from under 18% eight years ago.

India's rural areas have shown greater resilience amid the

COVID-19 pandemic. The government's incentive plans to help the economy recover from the blow have also focused on the poorest segments of the population, for whom microfinance lenders are often the only option to get funding.

Nomura expects the rural segment to drive growth for the microfinance sector over the next decade, as cost efficiencies and investments in digital initiatives help the lenders reach more potential customers. Better borrower information from local credit bureaus, higher regulatory limits on ticket sizes of loans and the lenders' familiarity with their customers will help, too.

A large number of microfinance institutions have converted into banks in the last five years, which will help bring funding stability to the sector, according to the report.

### #PurposeMuthootBlue

To transform the life of the common man by improving their financial well-being



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