

LIVE

Muthoot Microfin Limited lists on Indian Exchanges



Muthoot Microfin Limited, the microfinance company of Muthoot Pappachan Group, made its debut on the BSE and NSE on December 26th, 2023. The Company currently is the 4th largest MFI in the country with largest market share in Kerala and prominence in Tamil Nadu.

Muthoot Microfin Limited garnered substantial interest from investors keen on participating in the microfinance sector with over 11 times overall subscriptions for its IPO.

The company plans to utilize the proceeds from the IPO to augment its capital base, expand its geographical presence in North, East & West and to fortify its operational and digital capabilities. This move is anticipated to fuel the company's growth trajectory and enhance its financial footing within the microfinance industry.

The company had recently posted a net profit of ₹109.6 crore for the quarter ended September, growing 14.5% over the previous quarter. Its revenue from operations during the period rose 17.7% to ₹563.63 crore. The company's Gross NPA stood at 2.37% and Net NPA at 0.33% at the end September 2023.



IMPACT STORY

The beauty of empowerment

Ganga, from Halebeedu, Karnataka, at the age of 32, embarked on her entrepreneurial venture in the beauty parlour business. Ganga's dream was to establish a thriving business and to do so, she invested all her savings to setup the venture.

As the business settled into its rhythm, Ganga aspired for expansion. However, financial constraints were a stumbling block for her family. With four members in the family and the ever-increasing cost of living, Ganga and her husband often found themselves stretched thin.

Despite the hardships, Ganga never lost sight of what truly mattered – her commitment to her dream. Ganga decided to explore alternative avenues for funding and turned to Muthoot Microfin Limited. Recognizing the potential and dedication of entrepreneurs like Ganga, Muthoot Microfin became a crucial partner in her journey toward realizing her dreams.

With financial support from Muthoot Microfin Limited, Ganga was able to acquire the necessary equipment to enhance and scale her beauty parlour business. The loan provided by Muthoot Microfin Limited empowered Ganga to overcome the financial barriers that were restraining her business growth. This capital enabled her to invest in high-quality equipment and accessories, creating a more appealing and efficient beauty parlour for her clientele. In just the first cycle of the loan, her weekly income soared to over ₹5000, showcasing the rapid and tangible benefits of the right financial support.

Ganga's experience with Muthoot Microfin Limited serves as an inspiring example of how microloans can unlock the potential of small businesses, fostering entrepreneurship and economic growth. Her journey highlights the importance of strategic partnerships between financial institutions and aspiring entrepreneurs in building a more prosperous and empowered society.



LOAN ID - 1113080101000317

Realising Dreams

Arti Tiwari, a 39-year-old from Raigarh in Chhattisgarh is an enterprising and hard-working woman entrepreneur. Unlike many in her village, the mother of three children also has education up to high school level.

Arti has been in the textile business for over the last eight years. She sells clothing for women such as sarees, blouses, skirts etc. from the veranda of her single room shop situated on the busy street at Kirodimal Nagar in Raigarh.

She was married at an early age. She always kept her dreams and aspirations to live a decent life with her husband and kids. From the early years of their marriage, Arti supported her husband by regularly attending the family clothing store. She quickly learned business skills and wanted to open her own shop to establish further income for the growing family.

However, the capital money to start her venture remained an obstacle as all the financiers she approached for a loan rejected her application for lack of collateral security. Luckily for Arti, she was introduced to Muthoot Microfin Limited by a family friend at that time. After understanding the simple and hassle-free loan procedures of the organisation, she soon joined a Joint Liability Group and availed her first cycle loan of ₹30,000.

Immediately, she rented a single room shop and her journey towards entrepreneurship started.

She brought in fast moving, trendy clothing materials and sarees from the nearby big market. With her business skills, Arti was able to attract clients even from far localities. Her daily earnings gradually grew and now stands at an average of ₹1500. She is now on her third cycle loan of ₹70,000 with the organisation. Today, she is one of the most successful micro entrepreneurs in her village.

With future financial support from Muthoot Microfin, Arti plans to invest in greater variety of merchandise, expand her business, satisfy the needs of her growing customers and generate more income for the family.



Muthoot Microfin IPO subscribed 11.52 times overall, the highest subscribed MFI IPO compared to its listed peers

The IPO of Muthoot Microfin Limited, the microfinance company of Muthoot Pappachan Group (Blue Muthoot), witnessed large interest from investors and was oversubscribed 11.52 times overall. Retail investors bought 7.61 times and high net-worth individuals (HNIs) picked 13.2 times the allotted quota while qualified institutional buyers (QIBs) picked 17.47 times the reserved portion.

Muthoot Microfin intends to allocate the proceeds from IPO towards reinforcing its capital base, anticipating future capital needs arising from the growth of company's business and assets. Further, the company will expand its branches to cater to a larger customer base.

Utilizing cutting-edge technology is part of the company's strategy to enhance customer service quality and turnaround time. This technological advancement is expected to bolster productivity and facilitate better control over its expenses.

Boasting a customer base of 32 lakh women entrepreneurs, the company has an asset under management of ₹ 10,800 crores as of September 2023. The company will be focused on expanding its operation in Northern parts of India as southern states, especially Kerala and Tamil Nadu are its strongholds.



Get In Touch



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