

## Muthoot Microfin delivers solid Q2-FY25 results



Muthoot Microfin Limited, the microfinance arm of Muthoot Pappachan Group has recorded substantial growth across key metrics in the results released for the second quarter of the financial year 2025.

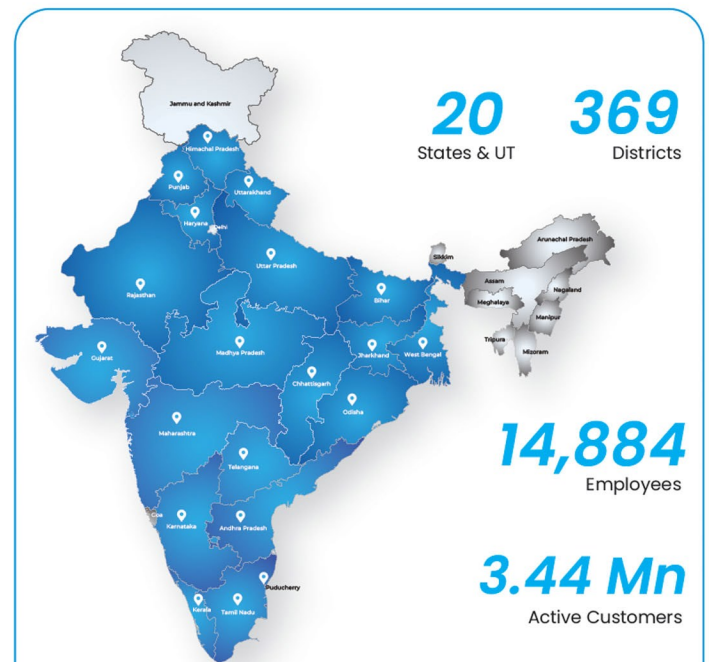
Commenting on the results, Mr. Thomas Muthoot, Managing Director of Muthoot Microfin, stated, "Amid recent industry challenges, Muthoot Microfin delivered a solid performance this quarter, achieving a 15.2% year-on-year increase in our Gross Loan Portfolio, now at ₹12,518 crores. We also added 31 new branches during this period. Our disciplined lending practices, backed by robust underwriting standards and prudent NATCAT policies, have driven sustainable portfolio growth while preserving asset quality. This quarter, we maintained a GNPA of 2.70% and NNPA of 0.97%, underscoring the strength of our portfolio. As we look ahead, we are prepared to accelerate our growth trajectory in this evolving industry landscape. With the implementation of SRO guardrails, we are committed to upholding high standards that will further strengthen stakeholder confidence and enhance the industry's reputation."

Mr. Sadaf Sayeed, CEO, of Muthoot Microfin, said "The company has cautiously inched up disbursements to ₹2,674 crores in the September quarter, up from ₹2,204 crores in the previous quarter and returning to similar levels as last year. We expect growth to reaccelerate in coming quarters with usual seasonal upswing coupled with our focus on harnessing existing customers and strengthening our core geographies.

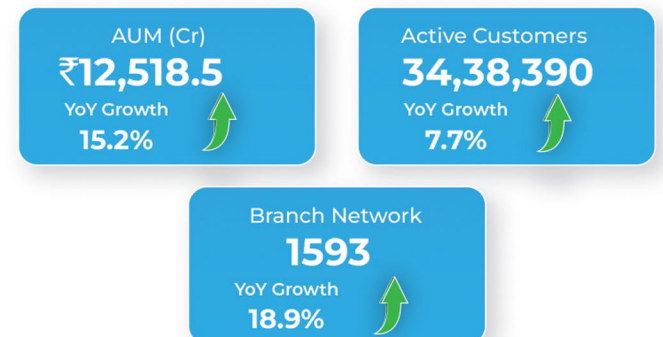


Our asset quality remains stronger-than-peers led by our core mature southern markets and our robust underwriting and collection practices. During Q2, we have gone a step further and adopted a stance of being far more conservative providing additional Macro-enabled overlay of ₹31.2 crores given bulging industry concerns. This increase in provisioning has resulted in creating ₹153 crores surplus to IRAC prudential norms.

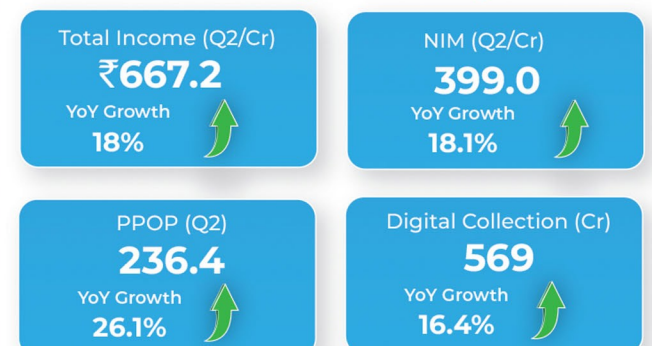
Our willingness to invest against profitability has negatively impacted our ROA during the quarter which has gone down to 2.00%. We continue to underpin our ambition of industry-leading returns and re-calibrate our FY25 ROA guidance to 2.75%-3.25% acknowledging the uncertainty prevailing within the industry while maintaining a continuous focus on balancing growth, profitability, and liquidity."



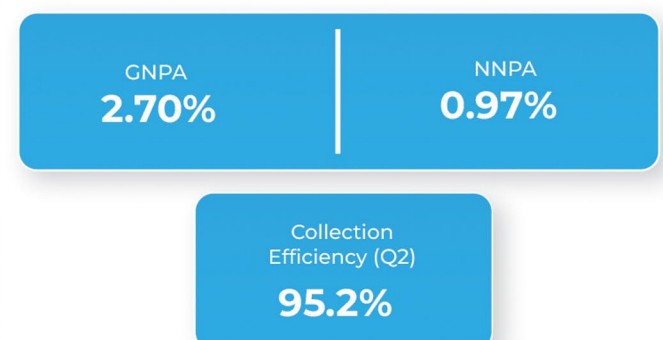
### Key Highlights of Q2 FY25



### Growing Profitability



### Improved Portfolio Quality





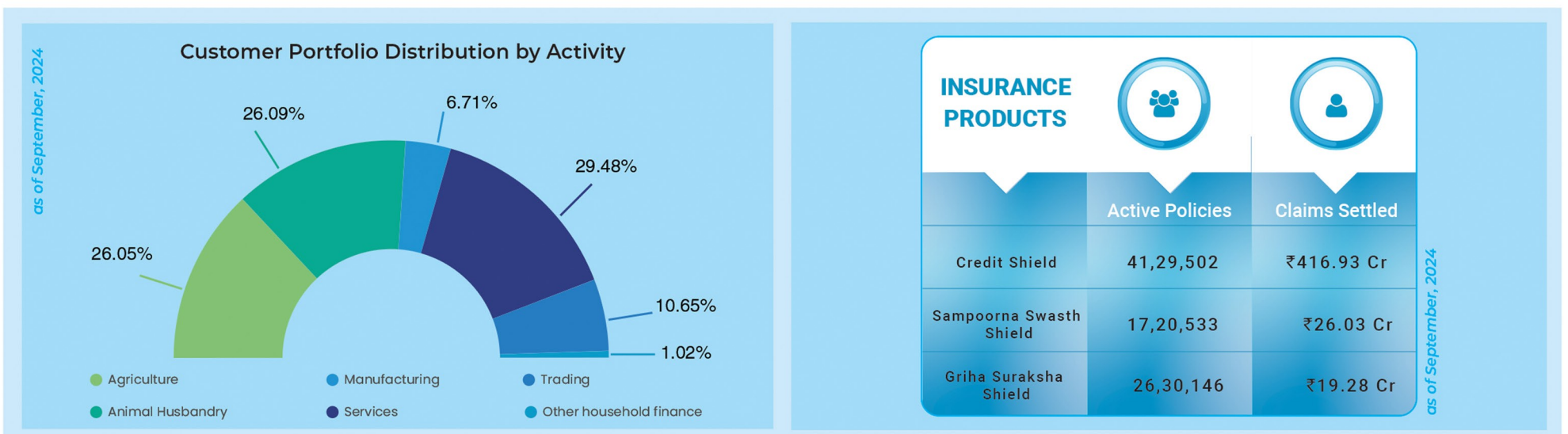
# A Plateful of Success

LOAN ID – 1001700000003245

Deepa Ashwath, a 39-year-old resident of Shirangala village in Kodagu, Karnataka, runs an areca plate manufacturing micro-enterprise with her husband Ashwath. They have been in the Areca Plate business for seven years and bought raw materials by borrowing money from family and friends. Deepa dreamed about expanding their business further as the income spurt and desired to amplify the potential turnover. However, raising funds without collaterals and lack of access to other formal financial services prolonged their possibilities. That's when Deepa turned to Muthoot Microfin Limited's Income Generating Loan in 2018.

Muthoot Microfin delivers economic empowerment to the remotest corners of the Nation through its financial solutions and products with high impact. As a returning customer, Deepa has opted Muthoot Microfin's different financial products to conquer new business heights. Her request for a Vyapar loan to expand her business further was approved in December 2023 and she availed of an amount of ₹85000/-. She is on her 4<sup>th</sup> cycle. With the right utilisation of the amount and the guidance received at the training, she purchased the required supplies and upgraded the pieces of machinery. Deepa established her enterprise vigorously in her remote village as the production tuned in full swing. From earning ₹5000/- a week to earning ₹12,000/- per week, her business met exponential growth.

With the steady flow of income, she created more job opportunities in the community, hiring more women to work on the plate manufacturing processes. Muthoot Microfin has been a launchpad for many aspirant women entrepreneurs and continue to create a better nation.



# An Incredible Makeover

LOAN ID – 1001820000000827

Molly Benny, a 52-year-old mother, residing in Rayamangalam, Ernakulam, Kerala, runs a beauty parlour and tailoring shop in her hometown. Molly decided to pursue entrepreneurship with the support of her husband Benny and children, as her husband's health began to deteriorate. She gained more knowledge about stitching techniques and finished the beautician course.

Using the assortment of cosmetics at her disposal, she first started dressing up the members of her social circle. One of her main concerns was setting up the business's infrastructure, as she had no assets to pledge as security to raise funds. At that point, she chose Muthoot Microfin Limited and proceeded with the establishment of her workspace.

Molly has chosen to grow her business by using multiple financial options offered by Muthoot Microfin; she started the partnership with Muthoot Microfin in 2018 by availing of its Income Generating Loan. Her request for a Vyapar loan was approved in 2024 and she availed of an amount of ₹70000. She is on her 4<sup>th</sup> cycle. She improved the infrastructure by making the best use of the funds. She added an embroidery unit and a dry-cleaning service. From earning ₹1000 a month to earning ₹30,000 per month, her business took zenith of success. As her micro-enterprise grew, she created more job opportunities in the community, hiring more women assistants from her town to work at her unit. She also opened a small unit for ear-piercing at the same enterprise. She practiced financial discipline and the business helped her in sending both her children to Canada for higher studies. Muthoot Microfin continues to transform the dreams into reality, even in the uneven terrains of the nation, through financial inclusivity.



Credit Rating  
**A+/Stable (CRISIL)**

MFI Grading  
**M1C1 (CRISIL)**



Households empowered  
with clean energy: 757,906



Individuals Empowered:  
3,637,949



Emission reductions issued  
till date (in tons CO<sub>2</sub>e)  
550,724

as of August, 2024

Source: MEC

## Muthoot Microfin Leads the Way for Inclusive Growth at Sa-Dhan Conference

Muthoot Microfin participates in the prestigious Sa-Dhan National Conference on Inclusive Growth 2024, held in New Delhi. Our CEO, Mr. Sadaf Sayeed, and distinguished delegates joined industry leaders, policymakers, and experts in crucial discussions on fostering financial inclusion and sustainable growth.

Muthoot Microfin was recognised for its outstanding work in the critical area of water and sanitation by receiving the "Top Performing Microfinance Institution (AUM above ₹3,000 Cr)" award for Excellence in Water and Sanitation Financing at the Water.org & Sa-Dhan Awards 2024, held alongside the conference. This recognition underscores Muthoot Microfin's dedication to empowering communities not just financially, but also in terms of basic necessities.



## Muthoot Microfin extends its solidarity on the Vikasit Bharat @2047 vision at PHDCCI- New Delhi



The insightful 119<sup>th</sup> Annual PHD Chamber of Commerce and Industry Conference co-sponsored by Muthoot Microfin Limited was organised on Oct 10, 2024, in Delhi, chaired by Hon'ble Minister of Home Affairs, Shri. Amit Shah. PHDCCI acts as a catalyst in promoting and contributing significantly to socio-economic development in underserved communities. The conference on Vikasit Bharat @2047 engaged in discourses on shaping India's economic future.

## Muthoot Microfin's CEO Sadaf Sayeed shares the Panel Desk of CRISIL- Chennai

The CRISIL Ratings Conclave- Chennai Chapter, organised on October 7, 2024, featured a scholarly discussion on "India's Economic Trajectory - Opportunities Amid Challenges", on which Mr. Sadaf Sayeed, CEO of Muthoot Microfin Limited shared valuable forecasts on witnessing course correction and policy alignments in Indian economic trajectory as it navigates through global uncertainties, and an impending debt crisis.



### Get In Touch



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