



## “Muthoot Finance 24<sup>th</sup> Annual General Meeting”

**September 18, 2021**



### BOARD OF DIRECTOR/KMP:

MR. GEORGE JACOB MUTHOOT – CHAIRMAN & WHOLE TIME DIRECTOR

MR. GEORGE ALEXANDER MUTHOOT – MANAGING DIRECTOR

MR. GEORGE THOMAS MUTHOOT - JOINT MANAGING DIRECTOR

MR. ALEXANDER GEORGE - DEPUTY MANAGING DIRECTOR

MR. BENJAMIN KOSHY - INDEPENDENT DIRECTOR

MR. PRATIP CHAUDHURI - INDEPENDENT DIRECTOR

MR. V. A. GEORGE - INDEPENDENT DIRECTOR

MR. RAVINDRA PISHARODY – INDEPENDENT DIRECTOR

MR. JOSE MATHEW - INDEPENDENT DIRECTOR

MRS. USHA SUNNY - INDEPENDENT DIRECTOR

MR. RAJESH A - COMPANY SECRETARY

**Moderator:** Dear shareholders, good afternoon and welcome to the 24th Annual General Meeting of Muthoot Finance. For the smooth conduct of the meeting, the members will be in mute mode during the course of the meeting. Audio and video will be enabled for those who have pre-registered with the Company to speak during the AGM. Please note that as per the requirements, the proceedings of the Annual General Meeting will be recorded and made available on the website of the Company. I now hand over the proceedings to the Chairman. Thank you and over to you, sir.

**George Jacob Muthoot:** Thank you. Good afternoon shareholders, ladies and gentlemen, a warm welcome to all. Thank you for joining the 24th Annual General Meeting of Muthoot Finance. As the requisite quorum is present, I call the meeting to order.

Before we start the proceedings, may I request all to stand up for a silent prayer. Let us all pray for those who have lost their life due to the pandemic, let us all remember and pray for their family members including our employees. Let us take a moment to remember our former Chairman Shri. M. G. George Muthoot. In his light, we are guided, in his love we are protected. Let us pray for his soul. Please stand up. May I now request our Company Secretary to explain the legal formalities of the meeting.

**Rajesh A:** Thank you sir. Good afternoon shareholders. In compliance with the directives of the government and to maintain social distance, we are conducting this year's AGM through video conference mode. A live streaming of this meeting is being webcast on NSDL website. Shareholders who have joined the meeting electronically through the VC are being considered for the purpose of advertising the quorum as per the circulars issued by the Ministry of Corporate Affairs. In accordance with the articles of association of the Company, the notice of the meeting along with the annual report containing the financial statements, reports of the directors and auditors were sent to the shareholders on August 27, 2021. A copy of the annual report was also uploaded on the website of the Company as well as the website of the stock exchanges. The Company has taken requisite steps to enable members to participate and vote on all items being considered at this AGM.

The resolutions mentioned in this notice contained in the AGM have already been put to vote through remote e-voting and there will be no proposing or seconding at the meeting. We will be providing facility to vote on all resolutions on the conclusion of the AGM for all those shareholders who could not vote through remote e-voting. As this meeting is being held through video conference, the requirement of appointment of proxies are not applicable. The statutory registers as required to be maintained under the Company's Act are being made available electronically and members who wish to inspect the same may send the request to our registered email ID [cs@muthootgroup.com](mailto:cs@muthootgroup.com).

Now, let me take you through some of the points regarding participation at the AGM:

Upon conclusion of the address by Chairman and Managing Director, we will open the floor for interaction by the shareholders. While the question and answer session starts, the moderator will

announce the name of shareholders who have registered as speaker shareholders one by one. We would like to request the shareholders to limit their speech to 3 minutes and to restrict the queries pertaining to the agenda items on the AGM.

During the AGM, if a member faces technical issues, he or she may contact the helpline number mentioned in the notice of the AGM or the e-voting helpline tab appearing on the top of your screen. Thank you. Now, I request Chairman to take forward the proceedings. Over to you, sir.

**George Jacob Muthoot:** Thank you Rajesh. This is my first Annual General Meeting as the Chairman of the Company and I was really hoping to meet you in person but won't have thought that we will still be delayed under the impact of COVID even after year and a half since the pandemic broke out.

Before we start the formal proceedings, I would like to pay my respect to our former Chairman, Shri. M. G. George Muthoot who had left us in the month of March 2021. Absence of him is really a big loss to the Company and all of us. I am certain that I would not be able to replace him as Chairman or nobody for that matter. Joychayan, as we all fondly call him has been a true inspiration and guiding light for all of us at Muthoot. His loss is irreparable to each one of us and I am sure that his guidance and his prayers are always with us and he will continue to lead us in the future as well. In loving memory of our former Chairman, we have a small video presentation. May I request the moderator to play the video.

**Moderator:** Thank you, sir.

**Video 6.19:11.28**

**George Jacob Muthoot:** Thank you. I am sure that what could display through 5 minutes video was just a minuscule portion of his contribution to this Company and society at large. Today, the entire Board of Muthoot Finance has joined this 24th Annual General Meeting.

Let me introduce each board members. Myself, George Jacob Muthoot - Chairman of the Company, joining the meeting from our registered office in Kochi, I normally stay in Trivandrum.

Along with me, to my right side attending the meeting from the registered office is Mr. George Alexander Muthoot - Managing Director who is a rank holder in B.Com from St. Thomas College, Kozhencherry and a gold medalist in his Chartered Accountancy. He will be speaking to you on the performance of the Company.

To my extreme right seated is Mr. George Thomas Muthoot - Joint Managing Director. He is a banker for 40 years plus and stationed in Kottayam.

To my extreme, to my left, seated is Justice Benjamin Koshy - Independent Director. Justice Benjamin Koshy is the former Chief Justice of Patna High Court and the former judge of High

Court of Kerala. He has also served as the Chairperson of Kerala State Human Rights Commission and at present, he is the National YMCA president also. Justice Jacob Benjamin Koshy is the Chairperson of the Nomination and Remuneration Committee, the Stakeholders Relationship Committee and CSR and Business Responsibility Committee. Welcome you all to the meeting.

Joining from our corporate office, North in Delhi is Mr. Alexander George Muthoot - Deputy Managing Director who is the youngest son of our late M. G. George Muthoot - Chairman. He was fortunate to be in Delhi along with his father and he has got all the guidance and blessings from his father which we also did not get that much. Alexander George, welcome to this Annual General Meeting in Kochi.

Along with Alex, joining from corporate office North in New Delhi is Shri Pratip Chaudhuri - Independent Director. Shri. Pratip Chaudhuri is the former Chairman of State Bank of India and he has 40 years of experience in the banking industry. He is presently staying in Delhi very close to our corporate office and he was closely associated with our former Chairman, M. G. George Muthoot for all his banking or any other assistance, he was there very close to our Chairman in Delhi. Welcome Pratip Chaudhuri sir for this meeting.

Shri. V. A. George - Independent Director of the Company is joining the meeting from his residence in Mahindra World City in Chennai. Shri. V. A. George is the Chairman of Thejo Engineering Limited, a NSE listed Company from Chennai and has all 40 years of experience in the corporate world both in public and private enterprises. He is a very close friend of mine and I know him from the days of my studies in Manipal. He was a good friend and a mentor also. Welcome, Shri. V. A. George for this meeting.

Shri. Ravindra Pisharody is an Independent Director of the Company is joining the meeting from his home office in Mumbai. Shri. Pisharody is the former Wholetime Director of Tata Motors Limited where he headed the vehicles business unit. Ravi is an experienced corporate business leader and management professional with all 36 years of experience. Welcome Shri. Ravindra Pisharody.

Shri. Jose Mathew - an Independent Director of the Company is joining the meeting from his residence in Alleppey. Shri. Jose Mathew is a Chartered Accountant and he is the former Managing Director of Kerala State Drugs & Pharmaceuticals Limited. Jose Mathew is the Chairperson of the Audit Committee, Risk Management Committee and ALM Committee. He is a very close friend of our Managing Director, George Alexander Muthoot and they have studied Chartered Accountancy together in Alleppey way back, 30-40 years ago. Welcome Shri. Jose Mathew.

Shrimati.Usha Sunny - an Independent Director of the Company joining the meeting from Chennai. Shrimati. Usha Sunny is a Cost Accountant and experienced banking professional with all 30 years of experience. Welcome, Shrimati Usha Sunny.

We also have Shri. Vijay Narayan Govind, Senior partner from Varma & Varma, our Statutory Auditor and Shri. Madhusudhanan, Partner from KSR & Company, our Secretarial Auditors joining the meeting through video conference. Shri. Vijay Narayan Govind and Shri. Madhusudhanan, welcome.

Due to the current situation arising out of the COVID-19 and the social distancing norms, we are forced to call this AGM through video conference. Thank you for your understanding and cooperation. Notice of this meeting along with annual report containing the financial statements, auditor's report and director's report were sent to all the members by electronic means and I take the same as read. Statutory auditors and secretarial auditors have issued unqualified audit reports for the financial year 2021. Now, I take this opportunity to speak to you.

My dear fellow shareholders and stakeholders, year 2021 has been one of the most challenging year that we all have faced in our lifetime. COVID-19 had reached almost all corners of this entire world, not sparing anyone, the rich and the poor, the most powerful and the most helpless. It has tested healthcare infrastructure, political decision making and our ability to weather a healthcare emergency like we have not experienced ever before. The year started with a widespread disruption caused by the COVID-19 pandemic which affected lives across the world. COVID outbreak caused massive trade disruption, affected economies across the world including that of India. Indian economy de-grew for the first two quarters before finally re-emerging in the growth trajectory in the third quarter. The positive proactive measures taken by the government of India particularly its boost to the micro, small and medium sized enterprise sector resulted in the situation improving towards the second half of the year. However, the increase of infection led to the disruption again towards the fag end of this year, as localized the lockdown had to be imposed to control the spread of the virus.

Over the last 1.5 years, we all have moved into a new normal of working environment across the world. Today, I stand before you to address the Chairman of this Company for the first time. Let me take a moment to acknowledge and appreciate the efforts taken by all our COVID warriors in the fight for survival. We are truly appreciative of all our employees who have shown courage, competent and togetherness during these tough times. Let me reassure all our employees and stakeholders that we are together in this fight. As a responsible social citizen, your Company has already stood by your side to come out of these tough times. The years gone by also witnessed the untimely death of our erstwhile Chairman and my elder brother, Shri. M. G. George Muthoot. His unexpected demise on 5th March 2021 is irreparable loss for us and for all those who knew him. Words are inadequate to describe the multidimensional personality of M. G. George Muthoot. I feel the cover theme of this year's annual report underlines it well, man with a golden heart.

Shri M. G. George Muthoot was instrumental in making Muthoot Finance, a pan India Company 4600 plus branches and the largest gold loan NBFC in India. He joined his family business at his young age and assumed the position of Managing Director of the Muthoot Group in 1979. You all have seen in the presentation also about the same. When he took over the Company, we

had presence only in four states with 31 branches. He single handedly guided the aggressive banking business expansion taking it beyond to the confines of Kerala and into the uncharted territories of North India, where the concept of gold loan was still disapproved or not known.

From business strategy to marketing campaign, he led from the front. He believed that a leader had to be fair and consistent in every individual in this organization and team along with being a great motivator. He was all of them. Motivating by him, the group's well-trained staff played a vital role in changing the mindset of people about gold loan. In recognition of his contributions, Shri M. G. George Muthoot was conferred with many recognitions during this life time. In 2019, Forbes India Magazine listed him as the 44th richest man in India and in 2020, the same magazine listed him as the 26th richest Malayalee in India. He was not only a successful businessman, but a committed humanitarian and a community leader as well. **As a result** of his undeterred commitment, he was awarded the Mahatma Gandhi National Award for social service in 2001 by Mahatma Gandhi National Foundation. Through our CSR arm, Muthoot M George Foundation, he ensured that the Company contributed its utmost to the society. He also played a crucial role in promoting developmental activities of the church and led the community initiatives. He was the late trustee for the Orthodox churches in India for consecutive 10 years. I am truly humble to have been elected as the Chairman of this prestigious group following the footsteps of Shri. M. G. George Muthoot. I will be fully committed to uphold the values and benchmarks set by my brother both in the professional and personal spheres

Moving on to the performance of the Company, year 2021 has made many significant milestones achieved by your Company. We have been consistent in our performance even during these tough times which reinforces the fundamentals of the Company and strengths of its balance sheet. Year 2021 saw Muthoot Finance reach many significant milestones including the consolidated AUM crossing 50,000 crores mark while the total revenue for the year crossed 10,000 crores. Consolidated PBT crossed 5000 crores mark and consolidated net worth crossing 15,000 crores. Total loan disbursements in the year stood at Rs. 1,24,000 crores. Managing Director, Shri. George Alexander Muthoot will speak in depth on the financial and operational performance of the Company during the previous year.

Your Company continues to be a consistent dividend payment Company. Your board had declared and paid a dividend of 20 per share in the form of interim dividend for financial year 2021. Total dividend payout stood at Rs. 802 crores which make your Company one of the highest dividend paying company from Kerala. As we complete the 10 years since our IPO and listing of equity shares in stock exchanges, we are extremely delighted to note that we have been able to create significant shareholder value of the years. Your Company's stock price stood at a life time hike of Rs. 1638 in the month of August 2021. We truly acknowledge the faith that all our investors have bestowed on us.

Recognizing this efforts that we had put in our marketing and branch building exercises, your Company had won many awards and recognitions during the years gone by. Best Radio Campaign of the year by Global Marketing Excellence Awards, 2020 for Sunheri Soch, Best Integrated Campaign and also Best Use of Celebrity by Global Marketing Excellence Awards 2020 for Gold Loan is Good, Best Branded Content Marketing on TV category by Exchange4Media's Indian Content Marketing Awards 2020 for the Soch Badaliye integrated marketing campaign are few of the awards that we had won. Muthoot Finance was awarded India's Number One Most Trusted Financial Services Brand for the 5th year in a row by Brand Trust Report 2020.

Through our philanthropic wing, we strive to enhance the quality of life of underprivileged communities. As a result of pandemic, we amplified our efforts to ensure the safety and wellbeing of underprivileged people by distributing household essentials, protective face masks, gloves, PPE kits to frontline workers including healthcare warriors, police officials, mobile unit for antibody screening and antigen test. We have introduced several healthcare projects including Muthoot Snehasraya, Shape a Smile, Snehasancharini and dialysis assistance to support our communities continuing our efforts to improve the education set-up and promote universal learning, we provide scholarship to students for higher education, offer awards and conduct skill development programmes for underprivileged school students. We have constructed of 200 house for the flood victims in Kerala under the Muthoot Aashiyana project and we have dedicated the Cancer Hospital in Kozhencherry, Kerala in the memory of Late Shri. M. G. George Muthoot to reach quality healthcare to lesser privileged people and to carry forward his charitable heritage.

Finally, I would like to take this opportunity to thank all the shareholders of the Company. It would not have been possible to overcome this incredible challenging time without their support and dedication to work and their complete loyalty to the organization. This is the beginning of a new chapter for us, but I want to assure everyone associated with the Company that we will uphold with values of my brother Shri M. G. George Muthoot and continue to focus on enhancing values for all our stakeholders. At the close of my address, I would like to mention our late Chairman, Shri. M. G. George Muthoot's seven core values that the Muthoot Group holds near to its heart. The biggest leadership lesson I have learnt is to never give up your ethics, value, liability, dependability, trustworthiness, goodwill and integrity in any situation. Thank you all. Jai Hind. Now, I invite our Managing Director to give his address to the shareholders, George Alexander Muthoot.

**George A. Muthoot:**

Thank you Chairman. Dear fellow shareholder, I start my address paying my respect and homage to our late Chairman and my elder brother, Shri. M. G. George Muthoot. He was a mentor and a visionary leader. His untimely demise is an irreparable loss to everyone who knew him including our family, employees, stakeholders and the people of Kerala and the entire nation. We also mourn the life lost due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

With regard to the COVID situation, the second wave appeared to be steeper than the first one affecting business across the country, but speedy vaccination drive initiated by the governments and the discipline observed by our fellow citizens helped in curtailing its impact for public health to a very great extent. We hope once significant parts of our country are vaccinated, pent up demands will surely revive the economic commercial activity across the country. The COVID pandemic has brought a paradigm shift in the gold loan market as people realized that gold is an instrument of credit as well as instrument of secure savings, particularly in India. The demand for gold loans has grown stronger during the financial year 2020-2021 both for NBFCs and Banks. We believe the market to grow wider as the economy recovers in the coming quarters.

Now, coming to the Company's performance, I am very much delighted to share our all-time highest performance for the financial year 2021. Our loan disbursements during the first quarter of the financial year was lower on account of closure of branches in the month of April 2020 due to the nationwide lockdown imposed. Once the branch is opened, we saw higher level of repayments than disbursements, probably on account of restrictions in movement of people and goods. However, we witnessed significant increase in the disbursement since June 2020 which continued in the second and third quarter of the year and it returned to normal level in the fourth quarter. Our gold loan book grew by 27% in the financial year as against the previous year's 21% on the back of a robust gold loan demand both new and the existing customers. Our collection efficiency and the diversified product mix ensured our sustained profitability. During the financial year, the Company achieved 23% increase in its profitability with a net profit of Rs 3,722 crores for the year as compared to Rs 3,018 crores in the previous year which is mainly due to the increase in the interest income of the Company. Interest income of the Company increased to Rs 10,329 crores from the previous year's interest income of 8,564. Loan asset portfolio of the Company increased by 26% during the year reaching Rs 52,622 crores. Company's capital adequacy ratio as of March 2021 stood at 27.39% which is well above the regulatory minimum of 15%.

Consolidated performance. During the year, we adopted a cautious approach on the non-gold loan business run through our subsidiaries on account of the impact of the pandemic and the resultant lockdowns and hence witnessed a modest growth in these businesses. During the year under review, our consolidated gross loan assets under management increased by 24% to reach Rs 58,280 crores. This was driven by growth in gold loan assets under management by 27% at Rs 51,927 crores. Despite the gloomy economic scenario, our consolidated total income increased by 19% to reach Rs 11,566 crores in the financial year. Our consolidated profit after tax increased by 21% to reach Rs 3,890 crores.

As of March 31, 2021, this year, your Company had seven subsidiaries namely, Muthoot Homefin (India) Limited, Belstar Microfinance Limited, Asia Asset Finance Plc., Muthoot Money Limited, Muthoot Insurance Brokers Private Limited and Muthoot Asset Management Private Limited and Muthoot Trustee Private Limited.



Coming to the subsidiaries, Muthoot Homefin (India) Ltd, the wholly owned subsidiary has a loan portfolio of Rs 1704 crores as against the previous year of Rs 1977 crores. Total revenue for financial year is at Rs 241 crores as against Rs 288 crores in the previous year. It brings a net profit of Rs 13 crores against the previous year of Rs 32 crores mainly because of the COVID situation downgrading the economic activity.

Belstar Microfinance Limited, an RBI registered microfinance NBFC and the subsidiary of the Company where Muthoot Finance own 70.01% stake grew its gross loan portfolio to Rs 3300 crores as against the previous year's Rs 2631 crores, a year-on-year increase of 25%. It achieved a profit after tax of Rs 47 crores as against the previous year's profit of Rs 99 crores. Here also, the pandemic has totally affected the microfinance industries overall and Muthoot Belstar is not an exception.

The Sri Lankan subsidiary, Asia Asset Finance Plc where Muthoot Finance owns 72.92% stake increased its loan portfolio to LKR. 1400 crores as against last year of LKR 1384 crores, a modest increase only. Total revenue stood Sri Lankan 295 crores as against the previous year 333 crores and it generated a PAT of LKR 5 crores as against the previous year 7 crores. Muthoot Money, wholly owned subsidiary of the Company is a RBI registered NBFC, increased mainly in expanding loans for cars, two-wheelers, commercial vehicles and equipment. During the financial year, loan portfolio stood at Rs 367 crores as against the previous year Rs 509 crores. Total revenue also stood at Rs 70 crores and it generated a profit after tax of Rs 4 crores as against Rs 3 crores in the previous year.

Muthoot Insurance Brokers Private Limited, an IRDAI registered direct broker insurance product and a wholly owned subsidiary of the Company, generated a total premium production of Rs 406 crores in the financial year as against Rs 323 crores in the previous year. It also generated a profit after tax of 22 crores as against 11 crores in the previous year, an increase of 190%

Coming to Resource Mobilization, nonconvertible debentures and bank finance continues to be the big fund-raising avenues NCD of the Company. Company successfully completed 23<sup>rd</sup> and 24<sup>th</sup> issue of nonconvertible debentures through the public issue during the financial year, raising 2293 crores. It also raised 3646 crores through private placement of NCD during the financial year. Bank finance remains an important source of funding for your Company. Commercial banks continued their support to your Company during this financial year also. As of 31st March 21, borrowings from bank were Rs 19557 crores as against Rs 14376 crores in the previous year. Company has an outstanding, external commercial borrowing of Senior Secured notes of US \$450 million issued in October 2019 for a period of 3 years at 6.125% and US \$550 million issued in March 2020 for 3-1/2 years at 4.4%, this fall under regulations 144A and regulation S of US Securities Act. These notes are listed in the international securities market of London Stock Exchange. It is certainly a great credit for the Company of Kerala.

Credit rating. During the year, Muthoot Finance crossed the greater milestone of AA+ credit rating, a stable outlook from two rating agencies - CRISIL Limited and ICRA Limited. It is a recognition of the Company's market leadership position in gold loan industry as well as the strong financial. It is highlighted here that the achievement of this rating level of Muthoot Finance is on a standalone basis without a parental support factoring the rating. The Company's short term rating stood at ICRA A1+ and CRISIL A1+. The Company also has international credit rating from 3 international rating agencies. It stood at BB with stable outlook from Fitch Ratings, BB with negative outlook from S&P Global Ratings and Ba2 with stable outlook from Moody's Investors Service.

Coming to the technology adoption, among our most significant achievements during the year was our ability to reap from our sustained investment in digital technology. Two main initiatives are the Smart Eye and the Project CRM. Smart Eye, we implemented this powerful video surveillance system which uses artificial intelligence capabilities to enhance physical security at the branch. We are currently in the process of implementing this across all our branches. Project CRM, an outsource CRM solution was implemented across our branches for customers onboarding, lead management, sales and marketing and customer service. The IT project team implement various new functionalities in CRM from time to time as per the requirement. Our innovations such as loan at home service, which enables the customer to avail a loan entirely from home and Click to Call app, which allows our staff to connect with a customer at a click of a button, have immensely helped us. We are using WhatsApp for customer alerts and system integration for a smoother KYC procedure. Our dedicated team of software engineers has been engaged in designing, building and supporting all strategic software solutions to meet the ever-changing needs of the business that facilitated seamlessness of our operations and increase customer satisfaction. We will continue to put emphasis on strengthening our IT governance and information security system across the organization in line with the RBI Master Direction for IT Framework in NBFCs.

Excelling with our committed workforce, a passionate and competent team trained to put customers first has helped the Company to thrive over the years. We are a Company-oriented organization that offers its employees work satisfaction, ample growth opportunities, fair compensation, recognition of achievements through fast-tracked promotions and direct interaction with senior management so that all concerns are heard and acted upon.

Safeguarding our people, we realized at a very early stage that this pandemic was more of a human tragedy rather than an economic one. Ensuring the safety and wellbeing of our employees here has been our biggest priority. We have provided additional paid COVID leaves along with monetary compensation for the families of the employees who passed away due to COVID-19. Also, during the period of pandemic, Company has ensured that no job loss occurred. We also assigned Staff Welfare Officers for each region to assist our employees in receiving benefits under statutory provision such as ESI, mediclaim and other support schemes. Our efforts towards building a more people-centric organization resulted in our Company receiving the Great Place to Work certification.

Marketing and promotion activity, our marketing association with Amitabh Bachchan may be continued as we found strong relevance, correlation and fitment between the brand and Mr. Bachchan's values, pedigree, poise, respect, leadership, acceptability, association, success, philanthropy and more possibly attributes. There were many initiatives such as Gold Loan Is Good, Sunheri Soch, Branding, Ayush Gold Loan, Trust Only Muthoot Finance Campaign, CSK TVC Campaign, featuring Chennai Super Kings cricketing stars, pitching in the trusted name and number one status of Muthoot Finance. Branding of the Muthoot Group - Chennai Nandanam Metro Station, along with the earlier one, the branding of the Delhi Metro at Greater Kailash has being a big success for the Company. Loan at home integrated marketing campaign, our brand ambassador Shri. Amitabh Bachchan delivers the brand message powerfully and brought out the product features well. Gold loan Unlocker, the Integrated Marketing Campaign, featuring Revathy, the well-known actor from the film and now in Television industry focusing on gold loan product, being a 24x7 Credit Line that allows access to funds, anytime, anywhere.

Now to conclude, I thank the Company stakeholders including investors, customers, banks, financial institutions, rating agencies, debenture holders, debenture trustees and well-wishers for their continued support during the year. Our employees were being the backbone and strength of the Company. Right from the beginning, they have always been with us and we are with them also. They have actually built the organization along with the management. Thanking all the employees for their support, for their dedication and for what all they continue to do. Thank you all and concluding, Jai Hind.

**George Jacob Muthoot:** Thank you MD for your elaborate speech. I now request those members who have registered as speaker shareholders to ask their questions one by one. May I now request the moderator to call out the names of the registered speaker shareholders.

**Moderator:** Thank you very much, sir. Ladies and gentlemen, we will now begin the question and answer sessions. We will wait for a moment while the queue assembles. I would now like to invite our first speaker shareholder, Dr. C. T. Abraham to please go ahead with his questions.

**C. T. Abraham:** I don't have questions ladies and gentlemen. I wanted to thank all of you for this opportunity given to speak at the 24th Annual General Meeting of the Muthoot Finance. I think from the perspective of a small depositor who has been associated with the Company for over 30 years and I am one of those shareholders or depositors who have placed enormous confidence in the integrity and reliability of the Company. I was associated with Muthoot Finance Limited for over 30 years as I said and I also had the privilege to be one of the speakers for couple of times during the opening ceremonies of the various branches in Delhi. It was mainly during these occasions I had the privilege to be associated with Mr. M. G. George within a professional environment. I being working with the Asian Development Bank, a multinational financial institution used to focus on corporate culture and corporate responsibilities in my speeches during these branch opening ceremonies. Let me tell you that Mr. George always had mouthful of matters to mention how he valued corporate culture, corporate social responsibility in different spheres of healthcare, education and employee welfare, etc. At this first Annual

General Meeting after his sad demise, the greatest contribute I may offer to Mr. George would be again to assiduously emphasize on the corporate culture that has been passed on to the Company by Mr. George. It is sure that Mr. George has built a great business empire. More than that, he has established a great and valuable corporate culture within the organization and if I may be allowed to name it, I call this the culture of the MG family business culture.

One of the greatest aspects of this business family culture is as you all have mentioned during this meeting is the employee relationship or I call it the employee family culture, they all have taken it as their family work or family duty rather than an employment because this is my experience over the last 30 years. I have seen a great commitment among the employees. If I may mention one person specifically, in Delhi it is Mr. Shaji Paul, regional manager of West Delhi. He has been my one focal point for over these 30 years who has provided an exemplary service. This is only an example of one person and I know it is the case with all the other employees. There was not even one occasion or one reason to regret about. Let me say that Mr. George's ever present smile has radiated among the employees and it will continue to be so.

The second most important business culture is the family business culture of integrity which I hear always in the advertisements that has been telecasted. One of the greatest assets of today's financial sector is environment of integrity, integrity not only of the capitalist but also of the depositors, customers, shareholders, clients, and more so the integrity of the business system and I heard this in the speech that your employed the great amount of emphasis on this integrity of the system, the business systems. In my last 3 decades of numerous transactions, there was not even one case of laxity or error, even at the time when you were all doing it manually, even at that time, there was not even one case of an errors which is something to be admired in today's business world which is replete with failures. Thus, Mr. George has handed over the baton of family culture of integrity and I may call it, as you all have call it that first is the tradition of your Company.

Finally, I would like to mention about the third most important business culture which may not have been observed, but Mr. George has imparted, I call it the culture of social, financial empowerment. Gold loan was traditionally not kept as a high esteemed business, but it was the last resort of the poor people, but that concept has been reformed with the intervention of Mr. George especially in the Northern part of India. It has become the tool for social, financial empowerment. Depositors became confident investors without the fear of risk which is always associated with nonbanking business houses. Households with unproductive gold wealth were provided easy avenues to utilize or to create wealth. Mr. George has enlightened the common people of Northern India and for them he has taught that wealth leads to more wealth with no risk. I would say this is my tribute to this great man who has been associated with this Company and whom I know personally on a professional background. Thank you all for this opportunity ladies and gentlemen. Wish you all the best.

**Moderator:** Thank you very much. I now invite our next speaker shareholder Mr. Ranjit Singh to go ahead with his queries and questions. Mr. Singh, I would request you to please unmute your audio and go ahead with your question, please.

**Ranjit Singh:** Respected Chairman sir, Managing Director, Joint Managing Director sir, Independent Directors, and distinguished shareholders, good afternoon everybody I am Ranjit Singh from corporate office of North Delhi. At the outset, I thank the management for giving me an opportunity to speak at the AGM. I take this opportunity to congratulate the management in terms of AUM and profit despite tough time due to corona pandemic. Since this is the first AGM in which our most beloved and respected Chairman, late M. G. George Muthoot is not physically present, I also take this opportunity to share my few experiences with him. During my association with him, I witnessed his visionary leadership, strong determination, courage, his passion for work, humility and kindness. He was a man of ethics and values. What made him different and unique was his conviction for ethics and values. I will share one incident with you all of his conviction for ethics. About one branch manager joined as competitor and substantial business transferred to the competitor. I was struggling to stop the flight of our business, and our branch manager told me as expressing his desire to join the Company. He came to see me in my office, he told me if allow to rejoin he will not only bring that the business lost to the competitor but also business from the competitor, in fact he told me if he is allowed to rejoin he would see that the competitor gets any business. Before I allow him to rejoin. I told to Chairman sir and explained everything to him. He looked at me, rather he stared at me and said, how can you even think of taking him back in our Company he told me it is a matter of probably 1 crore or so business, even if above 100 crores business, do not compromise ethics and values of our Company. We are different than the other in ethics, which is a very foundation of our organization. Here is few testimony for this conviction of ethics and value. He was so passionate about his work that his work was not a work for him. It was a hobby for him. He used to enjoy his work. More is the work, the more he will enjoy. I got an opportunity to visit with him regional officers he used to start early in the morning and work till late in the night. Sometime even without any break. He was so hard working. I would like to share here also one incident of his passion for work. He was to address his staff of one region in Delhi in the evening at 6 p.m. I got information that he is not well, may not be in a position to come, but he came. I found that he was really unwell, he had some fever and he was vomiting also. He had to go to washroom many times for vomiting during the meeting itself. He not only attended the meeting but remained in the meeting till 12 p.m. this is not all, the climax is yet to come. The next day, he has to visit Chandigarh region as planned 2-3 days back and we want to start from Delhi at 4 a.m. in the morning. Since he was so unwell, last night we were sure we won't be able to go to Chandigarh the next day at least not at 4 a.m. To my surprise, at 3.30 a.m. in the morning asking me, am I ready because I was not expecting that we will be able to go, that was the height of his passion for work, his determination, and his will. He was so humble that he used to call the office boy by name and used to take special care of them instead he used to take care of everybody. Professionally, he was an institution, he was a person not only of success, but he was a person of values also. I was totally shaken by his sudden demise. For some days, I felt as if everything

has become standstill and a happy thing has come to halt, George Jacob Muthoot, our MD, George Alexander Muthoot, our JMD sir, Shri. George Thomas Muthoot and our DMD sir, Shri. Alexander George Muthoot has not come out of this despair and gloom they said the best tribute to the divine soul will be to achieve the corporate goal he had dreamed off by following his ideas and values. My dear shareholders, with your continued support and dynamic leadership of our Chairman the journey and the growth of this Company. Thank you all, thank you very much.

**Moderator:** Thank you very much Mr. Singh. I now invite our next speaker shareholder, Mr. George Kuruvilla to please go ahead with his questions or queries.

**George Kuruvilla:** Respected Chairman sir, Managing Director sir, Joint Managing Director sir, Members of the Board of Directors and distinguished Shareholders of the Company, thank you very much for giving me an opportunity to speak. This is the first AGM after the sudden demise of our beloved Chairman sir. It is very difficult for all of us to even think that he is not with us while we are all still sad this is an occasion for all of us to thank God for the life of our respected Chairman sir, a time for all of us to celebrate his life and work. When I think of our late Chairman sir, what comes first to my mind is his ability to look into the future. He could dream big and work forward making that dream come true. His enthusiasm and passion for business growth was so much that at the end of every interaction with him, one would come out really motivated about the future of the Company. Beyond the nitty-gritty of the business, he was a people's man. He had a tremendous capacity to engage in conversation with the staff members at all level. During those conversations, he would enquire about the well being of the family members of the staff members. In deserving cases, he would go out of the way to ensure that the needs of the staff members are met. I would like to site the example of Rama Shankar, office boy of our Calcutta office who got Chairman's attention by his sincere and faithful discharging of duties. When Chairman sir came to know that his wife was undergoing a treatment, he ensured that financial aid was provided and it continued for more than 8 years till the treatment was over. His concern for the employee was genuine. During both lockdown period, he would call to enquire about the well being of the staff members and staff members hold our late Chairman sir in very high esteem. The very fact that in just one year of the IPO, he ensured that ESOP was introduced in the Company. It is the testimony of his care for the employees, thereby making sure that the employees also became the co-owners of the Company. For him, every employee was an invaluable asset for the Company. Hence he was very particular in the right selection. He would spend considerable time, sometime even hours to ensure that the selection is right and once a person is selected, he will see to it that he is given necessary training, authority and freedom to perform his duties. This made the officers and staff members responsible and accountable. Our late Chairman sir was a person of immense faith in God Almighty. During every branch visit, the first thing he would do in the branch was to spend some time in prayer. He was very particular about this. He has also insisted that every branch and every office of the Company start their day's work only after the Morning Prayer. I must confess that it enable all of us to start our daily activities as a continuation of that Morning Prayer which makes a lot of difference in our approach to the work and to the dealing with the customer. Personally, the encouragement that I have received from Chairman sir and the confidence that he reposed in me has made me even

more determined to work sincerely for our esteemed institution. In the demise of our late Chairman sir, all of us have lost a visionary, a leader and a cult, but the values and the culture that has inculcated in each one of us will stay for our lifetime and it will be a beacon of light for our onward journey and progress. We may have lost him in this physical world, but the lesson that he has imparted to us will continue to guide us. Thank you all for the patient hearing. Thank you very much,

**Moderator:** Thank you very much. I now invite our next speaker shareholder, Mr. Sayantan Bhowmick to please go ahead with his questions.

**Sayantan Bhowmick:** Respected Chairman sir, members of the board and my fellow shareholders, I am Sayantan Bhowmick and I represent PineBridge Investment. As an outside, I would like to comment the Company for the exceptional work that was done over the years, The group has an 800 years unblemished track record of business. CSR charity and religious work which is truly exceptional and unique. I also take this opportunity to give my respect to Mr. M. G. George Muthoot, his contribution to the Company was inspiring. I would now like to present my views on subject that we at PineBridge investments feels very strongly about. It was universally understood that institutional investments main objective and the investing companies main obligation is to maximize return per shareholder. However, the rise of responsible investing consideration such as environment, social and governance are increasingly gaining important. ESG considerations are slowly, but surely becoming an integral part of the investors. ESG consideration can relate to ESG related disclosure, ESG performance and our Company has performed in ESG domain. The European has repeatedly come up with regulation for ESG Company for environment, social and governance related issues. These regulations, commonly known as SFDR, sustainable finance disclosure regulation has come into force as on the 10th of March 2021. The European Union financial regulators technical standards on the parameters the companies need to disclose which include a better drafted mandatory disclosure and additional environmental and social disclosure. At this regard, I would request to increase the ESG disclosure to global standards so that investors adhering to ESG regulation globally, I am not denying the opportunity to invest in this exceptional Company. With this, I would like to thank once again, thank the Company for this opportunity to present my views at this AGM and wish the Company all the very best for its future endeavors. Thank you.

**Moderator:** Thank you very much. I now invite our next speaker shareholder, Mr. Praful Chawda to please go ahead with his questions.

**Praful Chawda:** Thank you, sir. Board of Directors, Chairman sir, thank you so much for giving opportunity to talk. First of thank you very much for the hard work. A business can grow only with hard work. Please continue this good work. There is India's flag everywhere. We are really proud that you have kept it in the front. Please continue that. India is the best. Employees do lot of hard work and customers come only because of that. Please do a survey in all branches about how the customer has reached the bank? Is it because of Amitabh Bachchan's publicity or by reference or by knowing the good service that the Company provide? Then you will understand that 90%

of customers come because of hard work, not because of publicity of Amitabh Bachchan. Also, Amitabh Bachchan takes a lot of money, if I start talking one hour will go like that. If you see the speeches, never talked about Ram Jann Bhoomi, not talked about military martyrs, gives no donation to them, only do publicity, why did you do survey, I am not able to understand. You have to give crores of money to him and get zero benefit. Benefit comes only from hard work. In advertisement Amitabh says keep one crores of gold and all that, what is the rule? Who can keep so much gold at home? If want to buy 2 crores worth of land, so how to take so much of gold? Your business is very dangerous. There is no other dangerous business. What materials gets mixed with gold, we won't be able to tell. Gold is seen from top and below and middle, you won't be able to understand where the expert has mixed other materials. Sir, this is 24<sup>th</sup> AGM, so for silver AGM we are hoping that we will get good dividend and bonus. So please tell about this. CSR also does a good work. Sir, I want to tell, the gold medal that you brought to India, Modi sir also became happy. Please help those who are going to play in Olympics, please make them brand ambassador. Help them. You donate in school, college, medical shops. Hospitals. Please select such persons from India and help them. There are lot of places which do not have water to drink. Please help them and provide facilities to provide them with fresh water. Please do something like that. Thank you for your time. Wish you all success.

**Moderator:** Thank you. I now invite our next speaker shareholder, Mr. Ravi Naredi to please go ahead with his questions.

**Ravi Naredi:** Respected Chairman and MD, honorable Board of Directors, employees of Company and fellow shareholders, we give tribute to Shri. M. G. George Muthoot on untimely death and pray almighty to rest in peace. Sir, rate of interest competition are so much high on advances, we have too reduced interest rate drastically in September by almost 10%, so what impact comes on our profitability in current year? What is current scenario, where it will go because you predict everything in advance? Due to reduced rate of interest on advances, how you deal with things to maintain net profit in current year? Which type plan do you have made in your mind? That is my two questions, sir. Thanking you very much for giving me the opportunity.

**Moderator:** Thank you. I now invite our next speaker shareholder, Mr. Digant Haria to please go ahead with his questions.

**Digant Haria:** Thanks to the Board, I also pay my tribute to the Chairman. A lot has been spoken about him, I have also had to privilege to interact sometimes with the Chairman and all other members of the family. I would like to give a tribute in a slightly different way that I have tracked NBFCs for so long. There are thousands of NBFCs in India, but there are precisely only 4 NBFCs which are truly pan-Indian NBFCs and among them we have only two South based NBFCs which have become highly successful in North India. The Muthoot Finance is one of them. We have NBFC which was started by a small family in Kerala and it is now hiring people like Mahendra Singh Dhoni, Amitabh Bachchan and also one of the biggest marketers at the Kumbh Mela of 2019. So I think that is something which is not just in numbers, it also speaks about the culture which the Late Chairman used to say that you think big, but never forget your values. So that is one big



tribute which I would like to give that the values is something which is shown in the numbers also which we shareholders or analysts like to see. Sir, now I have two questions, that the void which Chairman sir has left that I think we were four brothers in the last decade, now there is entire, next generation which is also part of the business, so how is this internal division of responsibilities and now Muthoot is a 55,000 crores loan book Company, 5300 branches and if we look at next 5 to 10 years, we will be much more larger from where we are now, so how do we plan to take this transition ahead and what are the key 2 or 3 areas that we want to focus on for the next decade? That is my first question and sir, second question is a little bit on the branch level, the MD sir did mention that we are implementing some CRM software to help the employees, sir, my question is that the Muthoot Finance today has around 11 crores of AUM per branch. That should roughly transact to 1500 customers per branch and you have a loan book which runs down in 4 or 5 months, so actually every year, you will need to have set 3000 to 4000 customers and if you want to grow 15% over today's number, we will have to have 15% more lead, more customers, so how are we helping our employees at the branch to cope up with this high volume of business and more growth at the unit level? So these are my two questions. I seem that in the next decade if we reach that 1 lakh crores mark, have more profits and have more goodwill of the customers and employees, I think that will be the best tribute to the late Chairman sir. So thank you, sir. That is it from my side.

**Moderator:** Thank you very much. That was our last question. I now hand over the proceedings to the Chairman for answers. Over to you, sir.

**George Jacob Muthoot:** Thank you shareholders for your active participation in the AGM. I would now request the Managing Director to respond to all the queries. Over to Managing Director.

**George A. Muthoot:** Thank you Dr. C. T. Abraham, thank you for the kind words about the Chairman and our employees and our service quality. This keeps the employees going and as I said, I personally said that employees are our backbone and you have definitely thank you. I am sure our employees will relish hearing this from the shareholder especially at the AGM.

Ranjit Singh, thank you for sharing your relationship with our Chairman. I am sure you would have had a very good active relationship with him and certainly enjoyed his relationship as well as cultivated some of his good values. Thank you.

George Kuruvilla, also thank you for your kind words and thank you for actually telling us more about what our Chairman or my elder brother did while he was there which of course, the individual instincts are not, but generally we know the Chairman owns a golden heart. Thank you for enlightening.

Mr. Bhowmick, yes you are talking about the ESG that is the environment, social and governance, yes we have now formed an ESG committee in the company. We have been doing many things in the ESG part. Now we have to actually put it on paper, bring it down to the public, etc. If you ask me simply I could say that all our simple things like all our branches, the

lights we have actually changed to LED lights, not only within the branch, the outside the publicity boards, hoardings also, they changed LED that is one good thing and the social responsibility, yes unknowingly or knowingly, our company has been actually doing a big social service to the public. The public in recently a survey of our customers and we found that 40% of the people who take a loan from us do not have the credit score or that they are first time borrowers, 40% of our customers, so active customers on any point of time we have about 50 lakhs, customers who have transacted with us over the last 2 years-3 years itself, would be more than 2 crores-3 crores, so 40% of these people are first time customers, first time loans and that certainly something which we are building or we are unknowingly or knowingly or knowingly building for our customers on the social front. So that is something we definitely do and several, maybe 10 years-15 years back we have also started our Wind Mill farm in Tamil Nadu, we are in the process of opening, so now that ESG is the talk of the town all the overseas investors, etc., we will try not to do more, actually we are doing much, we will try to put it more into paper, put it more into a corporate report, etc. So going forward you will see increasingly Muthoot Finance coming up with ESG initiatives, more and more initiatives. Thank you for that. In governance, we have independent directors for supporting the Board and the Company in governance matters.

Mr. Chawda, of course he talked very many things, but you said about I could understand from your Hindi that you were talking about dividend, so we have actually paid dividend all over and in the last 10 years we have paid about 4000 crores as dividend to the shareholders. We actually created from another angle, from the stock market we collected less than 1500 crores, but we have paid back 4000 crores as dividend to the shareholders, so that is one thing which is about dividend. You also said whether I understood properly, I think you said you invite some of your shareholders to Kerala, please we can invite anybody, welcome to come to Kerala, we can always welcome you in Kerala if that was what you said. The third point you said was about cost initiatives and that we should have some gold, not only gold loans but gold medalists in our Olympics rather sportsmen, of course, you are right, I am also a sports, what should I say, I love sports and we are actually going about building some sports facilities in and around the place here. So we are building some football track, badminton tracks and all sorts of sports facility. Probably after sometime, we may get a Kerala player or at least a national player and according to your vision maybe and all of this player also in time, so we are investing through our CSR also in sports and also our mandate and going forward next year itself, you will see some of very good sports initiative coming on record.

Mr. Ravi, you wanted to know the interest rates the last one month, there have been lots of advertisement in the papers saying that the interest rates on gold loans have come down from 50 to 40, 10, 7, 15, etc., yes these are all what we should say are all test doses which many companies are doing and we do not want to be left behind. We also will do but I the recent past we have been able to garner good amount of low cost funds and because of that we will be able to deploy on an incremental basis some incremental borrowings we got at lower rates, so some incremental lending also we will be able to do at lower rates, so that we will keep our try our best and protect our interest margin. So the spread, we try to protect that,

of course, in between we may have to offer some concessional rates to some customers, that is part of the business and I am sure we may be able to grow 15% AUM.

Now, about Digant Haria, thank you for the kind words, thank you for putting us also along with the four big NBFCs in India and the two great South Indian NBFCs were ventured into North India, thank you for your kind words. There has always been a support to us. The vacuum, yes we definitely feel the vacuum of having loss of elder brother and Chairman, but then we have something advantage to us in the sense that the Deputy Managing Director, Mr. Alexander George had been in Delhi for the last 20 years. Of course, he is born, brought up and educated in Delhi, he doesn't know to speak Malayalam well, but he knew Hindi very well, he knows the North Indian culture, North Indian psyche and he had been tutored under our Chairman for so many years. So I am sure, he will be able to take up the reign in Delhi. He has been in Delhi all along and I am sure the support from us also, Mr. Alexander George will be able to fill the void in Delhi, but the void in the other parts of the company, Chairman was also very much present. The Board had decided to induct to have new younger members of the company, so we are inducting in this AGM Mr George M George, Mr George M. Alexander and Mr. George M. Jacob also into the board. They are all youngsters. They have been working in the company for the last 15 to 20 years. All of them have not come after the board. It is an opportunity for them to come to the business and ofcourse we promoters. We are also growing old. All of us have passed 65 years of age, so it is time that the second generation also takes up the mantle and that is why we are inducting three younger boys also. All these boys have been educated abroad in very good management schools. We are very fortunate that they did not decide to stay back in the US, etc., they all came back. That is definitely a big advantage for us. That only shows their confidence in the business of this company. They must have got some very good offers from US companies, etc., but if they decided to come back here after their management education there, it only shows their confidence and so it is the right time for us to use succession plan mostly, so all the year so I think that could take care of the vacuum with the next generation.

In the CRM, yes you said customer are important some investors always ask us. Your churn in the company, is 4 months, so technically if you ask after if you sit quiet for 4 months, the whole 52,000 cores of AUM will go out from the company, but then we have a lot of customers who are coming back to us. Repeat customers are our strength. We have always seen repeat customers, 70% to 80% of our customers come back to us, so it is not they come back to us this month or next month or after 3 months or 6 months they come back to us, we have used CRM very well and the branch staff also use their customer contact to see that customer come back. I am sure we will be able to touch and thank you for actually reminding us to reach the 1 lakh crore market. You have given us a period of one decade let me just see whether we can do it less than one decade. So said in one decade whether we will be able to do 1 lakh. Let us see whether we can do 1 lakh to you also. Now, I request our DMD, Mr. Alexander George to respond to some of the queries from his side also. Over to you, Mr. Alexander George.

**Alexander George:**

Thank you so much MD sir. Dear shareholders, I would like to begin with my humble tribute to my father and late Chairman, Shri. M. G. George Muthoot whose vision and leadership along

with his dedication, commitment and passion has led our organization to its present day success and glory. He has always been an inspiration to each one of us in the Muthoot Group. While we immensely and dearly miss him every day, we stand committed to take his legacy forward and achieve his vision to take our organization to even greater heights in the future. On behalf of the Muthoot Group, I would like to thank all our shareholders for their continued trust and belief in us and we assure them of our resolve to stay committed to our organization and take it forward with a same level of determination and passion like our late Chairman. Thank you.

Now, with regard to a few of the queries that were raised here, firstly with regard to ESG, as MD sir has already spoken about it, but I would like to give some more details. We have already formed an ESG committee in Muthoot Group and we will be disclosing a lot of initiatives that we are doing. I would like to highlight a few initiatives that we are already doing as an organization. In terms of energy savings, all our corporate offices, administration offices and branches are equipped with energy saving LED lights. In terms of workplace health and safety, all our work places including our branches are fully air conditioned with central ACs and split ACs that making them a great work place for our staff and customers. Our corporate office now is equipped with corona guard equipment on every floor with Godrej UV machines to protect our staff members from COVID-19 spreads. All our branches and administration offices have been provided with sanitizers, masks, gloves and other safety equipment to operate in a safe environment. We also have a medical insurance coverage to employees in areas where ESIC norms are not implemented and salaries under the ESIC limits. Medical insurance to employees with floater cover to dependent members, spouses and children are covered. We have a group personal accident policy, security persons are deployed in all our branches for safety and security. In many locations, dual security is also available. Last year, during the COVID pandemic, we took a great initiative in terms of our security transformation and we have made a seven layer security transformation project and it is powered our security systems being introduced and we have also introduced artificial intelligence into powering up our security transformation. All our branches have CCTVs, fire extinguishers, burglar alarms and other safety and security infrastructure to keep them protected.

In terms of location of our offices, all our offices are centrally located, approachable to the commuters staff and customers, predominantly by public transport hence avoiding excessive traffic concession of pollution due to excessive fuel consumption from individual vehicles. In terms of pollution control, there is substantial plantation and green area developed by us in and around our corporate office. We also use biodegradable material as much as possible for cleaning and housekeeping. Our office waste is also meticulously segregated as per our municipal guidelines and disposed suitably. In terms of natural disasters, we have installed fire alarms, panic buttons, CCTV cameras, smoke detectors in our offices. Our corporate office building is earthquake-proof. We also maintain first aid boxes at our offices and our lightning arrester installed at our corporate office.

In terms of renewal and energy, we are testing using our solar gloves and boots in our branches and we have plans to scale it up to our branches where we have roof rights. In some of our

establishments including our St. George School in Delhi, we have installed roof top solar panels which helps meet 100% of energy requirements of our school. In terms of community development, we have countless CSR initiatives implemented and ongoing in the areas of healthcare, education, women empowerment, up-skilling youth, Swachh Bharat and many more. Some of our key CSR projects include Muthoot Snehasraya, Muthoot Vivaha Sammanam, Muthoot Aashiana and Muthoot Skill India and many more.

In terms of diversity, women empowerment and equal opportunities employers, we offer equal opportunities of promotion, growth and higher responsibilities across age, gender, caste, community and religion. We have over 40,000 employees across North, East, West and South of India operating at 5440 plus branches. We recruit local candidates for our branches even in the rural and semiurban areas giving opportunity to local youngsters. We have been awarded the Best Workplace for women employees. In fact, every fifth employee in our company is a woman. Customer care executives were the first point of contact for our customers is essentially a lady staff giving earmarked employment opportunities to women workforce. We sponsor education for children for our office boys and sub staff. There is an internal complaints committee and employee relation handled by top managements. All our offices are maintaining good labor standards with respect to working hours and wages. In terms of our government standards, a strong data leakage prevention program has been implemented to ensure data security. We have implemented enterprise wide IT policy and IT security policy to prevent cyber securities. For prevention of money laundering, strong and strict RBI guidelines are being meticulously followed. We have a presence of a strong Whistle Blower policy and state-of-the-art regulatory and compliant software has been implemented which ensure 7000 compliances across central, state and various other regulations and statutory guidelines. This is as far as some of the ESG guidelines and ESG regulatory norms that we are currently meeting in our organization. As we progress forward, we will be taking up many more initiatives to meet our ESG compliances and we will be reporting it in the board from time to time.

Now, with regards to Mr. Chawda's question, we have taken customer service feedback, we take it very high importance. We do a lot of investment in improving customer service. We give localized training to staffs and we understand our training will increase the efficiency of customer service. Ours is a relationship banking. We do not believe in transactional banking much. We want to keep that belief intact. You also asked why we have kept ambassadors like Amitabh Bachchan. If you see, we are category leaders in gold loan. We have brought a attitude transformation in whole India, towards the gold loan segment, so to popularize that we wanted to use brand ambassadors to popularize gold loans amongst the masses. So for that we need to invest in such initiatives. We also measure that. Our MD sir has given you detailed information about how the progress of our company is. You can see how we have grown in 5 years with a strong balance sheet. We have always produced good result. One main thing in that is new customer acquisition. We want new customers to join and take us forward. So marketing investments are very important in this. If you have seen our AUM has grown 25%, from 46,870 crores, we have become 58,280 crores. So our AUM growth in balance sheet, our profitability growth which has grown from 21% from 3169 crores to 3819 crores in the last financial year.

So our this new customer acquisition strength and the attitudinal transformation which we have brought, in that most important part our leading customer service backed with good marketing initiatives to bring about an attitude to transformation all across India. Our share price also we have grown from strength through strength, it is a strong reflection which we are seeing and we are measuring it and the impact which we are creating we are tracking through our CRM software and we are seeing how the new customer acquisition is happening in every branch, in fact our progress in North India, 5 years back if you see our AUM then per branch we had only 8.12 crores per branch AUM in North, East and West of India. Five years since last year, our assets under management stand were 14.19 crores in per branch across North, East and West of India. So this progress, our marketing initiatives, CRM initiatives, training initiatives, customer service standards improvement this all reflection we can see in our topline and we have proved it with the numbers and that is how we have progressed going forward.

So these are some important initiatives that we did and we remain committed to take the organization stronger professionally and last year in the COVID pandemic all the investments that we have made in IT initiatives has also borne fruit. We have taken huge amount of investments in IT initiatives. They are further convenient to the customer after the first gold is fledged in our branches. Most of the other transactions are online now. In fact, we had integrated even with WhatsApp, at the click of a button, customers are able to do transactions on WhatsApp and we have simplified that. UPI payments we have got through PhonePe, Paytm, Google Pay. We have included Muthoot e-transfer through RTGS, NEFT, IMPS. We have launched iMuthoot app for the convenience of the customer on Android and iOS phones. We have point of sale terminals installed in all our branches. We have Muthoot online website where customers come and transact with us online. We have introduced digital KYC, in terms of digital KYC validation, Video KYC to simplify the process and improve our governance standards and we have also recently started Muthoot Chatbot, newer and improvised version of Muthoot Chatbot which is an artificial intelligence enabled Chatbot for customer queries and also owing a lot of transactions which support our customers in local languages also. So we are making all these investments into IT, training, marketing and all these things are reflecting in the result that we are producing in our organization and I can rest assure you we are never complacent about our past successes, but we always are determined to work hard and even harder in the times to come to take the vision of our late Chairman sir and make this reality for our organization and grow from strength to strength and with the support and the dedication and the loyalty of each of our staff members who is working across North, East and West of India, I am sure we will be able to take the organization to much greater levels of excellence with the support and the trust and the confidence of all our shareholders like yourself.

So once again thank you for giving me this opportunity to address all of you and like MD sir said, I was actually personally when I speak about myself, I was born and brought up in Delhi, I did my schooling in Delhi and I consider myself very fortunate to have worked under the leadership and the guidance and the mentorship of my father, the late Chairman. So when I joined the company, we had I think in North, East and West of India, only 6 branches, so the journey from 6 branches to 1811 branches has happened in front of my eyes and with the hard

work and the support of the entire team, we were able to make that journey come till this present state and I am sure as we work towards taking our organization to much greater levels of height, I will definitely continue to get the support of the entire team and the trust that all of you have reposed in us and our entire team in North, East and West of India, we will take it to much greater level of excellence. So thank you once again for your patient listening and I am truly honored to have spoken to all of you on the 24th annual general meeting. Thank you and Jai Hind.

**George A. Muthoot:** Now, I hand over to the Chairman to continue with the proceedings. Thank you.

**George Jacob Muthoot:** Thank you Managing Director and thank you, Deputy Managing Director for your explanation to the queries asked by the shareholders. Now I authorize Company Secretary to conduct the voting procedure and conclude the meeting. The e-voting facility will remain open for the next 15 minutes to enable members to cast their votes. The results would be announced in 48 hours of the conclusion of the meeting and the same would be intimated to the stock exchange and uploaded on the website of the company and NSDL accordingly. I authorize Company Secretary to announce the results on my behalf on the scheduled date. On behalf of the entire Board of Directors, I thank all shareholders who are attending the meeting and for their continued support, I also thank the Managing Director and Deputy Managing Director and all other directors and auditors for joining the meeting remotely through video conference. As a practice always, we end the AGM proceedings with a National Anthem.

**Moderator:** Sure sir.

**George Jacob Muthoot:** Thank you. With your consent and permission, I and all other board members would like to leave from the meeting. I request all shareholders to stay safe and stay healthy. We hope to see you in person next year. Thank you very much. Jai Hind.

**Moderator:** Thank you very much sir. Dear shareholders, the time for e-voting has elapsed. Thank you all for participating in the AGM and e-voting. The meeting is now concluded. Thank you very much.