

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS



(Please scan this QR Code to view the RHP)

This is an abridged prospectus containing salient features of the Red Herring Prospectus of Muthoot Microfin Limited dated December 11, 2023 filed with the Registrar of Companies, Maharashtra at Mumbai including (the "RHP" or "Red Herring Prospectus"). You are encouraged to read greater details available in the RHP, which is available at <https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&ssid=3&ssid=15&smid=11>. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the RHP.

THIS ABRIDGED PROSPECTUS CONSISTS OF FOUR PAGES OF BID CUM APPLICATION FORM ALONG WITH INSTRUCTIONS AND EIGHT PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Please ensure that you have read the RHP, this abridged prospectus ("Abridged Prospectus"), and the general information document for investing in public issues ("GID") undertaken through the Book Building Process before applying in the Offer (as defined below). The investors are advised to retain a copy of the RHP/Abridged Prospectus for their future reference. You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Syndicate Members, Registrar to the Offer, Registrar and Share Transfer Agents ("RTAs"), Collecting Depository Participants ("CDPs"), Registered Brokers, Bankers to the Offer, Investors' Associations or Self Certified Syndicate Banks ("SCSBs"). You may also download the RHP from the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in, the websites of National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), and together with NSE, the "Stock Exchanges" at www.nseindia.com and www.bseindia.com, respectively, the website of our Company at www.muthootmicrofin.com and the websites of the Book Running Lead Managers at www.icicisecurities.com, www.axiscapital.co.in, www.jmf.com and www.sbicaps.com.



MUTHOOT MICROFIN LIMITED

Corporate Identity Number: U65190MH1992PLC066228; Date of incorporation: April 6, 1992

Registered Office	Administrative Office	Contact Person	Email and Telephone	Website
13 th Floor, Parinee Crescenzo, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India	5 th Floor, Muthoot Towers, M.G. Road, Ernakulam 682 035, Kerala, India	Neethu Ajay, Company Secretary and Chief Compliance Officer	Email: info@muthootmicrofin.com Telephone: +91 48 4427 7500	www.muthootmicrofin.com

THE PROMOTERS OF OUR COMPANY: THOMAS JOHN MUTHOOT, THOMAS MUTHOOT, THOMAS GEORGE MUTHOOT, PREETHI JOHN MUTHOOT, REMMY THOMAS, NINA GEORGE AND MUTHOOT FINCORP LIMITED

Details of Offer to Public

Type of Offer	Fresh Issue	Offer for Sale size	Total Offer Size	Issue Under 6(1)	Share Reservation among QIBs, Non-Institutional Bidders, RIBs and Eligible Employees			
					QIBs	Non-Institutional Bidders	RIBs	Eligible Employees
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹7,600.00 million	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹2,000.00 million	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹9,600.00 million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") as our Company fulfils the requirements under Regulation 6(1) of the SEBI ICDR Regulations. For further details, see "Other Regulatory and Statutory Disclosures – Eligibility for the Offer" on page 447. For details in relation to the share reservation among QIBs, RIBs, NIBs and Eligible Employees, see "Offer Structure" on page 467 of the RHP.	Not more than [●] Equity Shares of face value of ₹10 each	Not less than [●] Equity Shares of face value of ₹10 each available for allocation or Net Offer less allocation to QIB Bidders and RIBs	Not less than [●] Equity Shares of face value of ₹10 each available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹100.00 million

The Equity Shares are proposed to be listed on the Stock Exchanges being National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). For the purposes of the Offer, the Designated Stock Exchange shall be BSE. ("Designated Stock Exchange").

OFFS: Offer for Sale

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Type	Number of Equity Shares offered	Weighted average cost of acquisition per Equity Share (In ₹)#^
Thomas John Muthoot	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹10 each aggregating to ₹163.63 million	90.91
Thomas Muthoot	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹10 each aggregating to ₹163.84 million	90.74
Thomas George Muthoot	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹10 each aggregating to ₹163.61 million	90.93
Preethi John Muthoot	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹10 each aggregating to ₹337.39 million	150.00
Remmy Thomas	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹10 each aggregating to ₹333.87 million	150.00
Nina George	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹10 each aggregating to ₹337.66 million	150.00
Greater Pacific Capital WIV Ltd	Investor Selling Shareholder	Up to [●] Equity Shares of face value of ₹10 each aggregating to ₹500.00 million	165.40

* Calculated on a fully diluted basis.

^ As certified by Rangamani & Co., Chartered Accountants, by way of their certificate dated December 11, 2023.

PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES

Price Band#	₹ [●] per Equity Share to ₹ [●] per Equity Share of face value of ₹ 10 each.
Minimum Bid Lot Size#	[●] Equity Shares
Anchor Investor Bidding date	Friday, December 15, 2023
Bid/Offer Opens On	Monday, December 18, 2023
Bid/ Offer Closes On	Wednesday, December 20, 2023
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, December 21, 2023
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about Friday, December 22, 2023
Credit of Equity Shares to demat accounts of Allottees	On or about Friday, December 22, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Tuesday, December 26, 2023

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* The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

For details of price band and basis of offer price, please refer to price band advertisement and the section titled "Basis for Offer Price" on page 109 of RHP.

For details pertaining to price band, please refer to price band advertisement dated December 12, 2023

Disclaimer: The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities law. Accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

Weighted average cost of acquisition per Equity Share transacted in one year, eighteen months and three years preceding the date of the Red Herring Prospectus

Period	Weighted Average Cost of Acquisition (in ₹)*	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in ₹)*
One year	169.99	●	165.40-290.00
18 months	172.66	●	102.06-290.00
Three years	172.66	●	102.06-290.00

* As certified by Rangamani & Co., Chartered Accountants by way of their certificate dated December 11, 2023.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Offer Price as determined by our Company, acting through its IPO Committee and the Selling Shareholders, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, and on the basis of assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in "Basis for Offer Price" on page 109 of the RHP should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the Bidders is invited to "Risk Factors" on page 31 of the RHP.

PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges, Syndicate Members, Registrar to the Offer, Registrar and Share Transfer Agent ("RTAs"), Collecting Depository Participants ("CDPs"), Registered Brokers, Bankers to the Offer, Investors' Associations or Self Certified Syndicate Banks ("SCSBs").

If you wish to know about processes and procedures applicable to the Offer, you may request for a copy of the RHP and/or the GID from the BRLMs or download it from the websites of SEBI at www.sebi.com, NSE at www.nseindia.com and BSE at www.bseindia.com and from the websites of the BRLMs at www.icicisecurities.com, www.axiscapital.co.in, www.jmfl.com and www.sbicaps.com.

PRICE INFORMATION OF BRLMs

Sr. No.	Issue Name	Merchant Banker(s)	+/- % change in closing price, +/- % change in closing benchmark		
			- 30 th calendar days from listing	90 th calendar days from listing	180 th calendar days from listing
1	Fedbank Financial Services Limited	I-Sec, JMFL	NA*	NA*	NA*
2	Gandhar Oil Refinery (India) Limited	I-Sec	NA*	NA*	NA*
3	ASK Automotive Limited	I-Sec, Axis, JMFL	NA*	NA*	NA*
4	Protean eGov Technologies Limited	I-Sec	NA*	NA*	NA*
5	ESAF Small Finance Bank Limited	I-Sec	+12.87% [+7.58]	NA*	NA*
6	Cello World Limited	I-Sec, JMFL	+21.92% [+7.44]	NA*	NA*
7	Blue Jet Healthcare Limited	I-Sec	+4.08% [+6.02%]	NA*	NA*
8	Flair Writing Industries Limited	Axis	-	-	-
9	JSW Infrastructure Limited	Axis, JMFL, SBICAP	+41.34% [-2.93%]	-	-
10	SignatureGlobal (India) Limited	Axis	+35.79% [-4.36%]	-	-
11	R R Kabel Limited	Axis	+34.45% [-1.75%]	-	-
12	TVS Supply Chain Solutions Limited	Axis	+8.71% [+1.53%]	+6.57% [+1.29%]	-
13	SBFC Finance Limited	Axis	+51.75% [+3.28%]	+61.14% [-0.11%]	-
14	Tata Technologies Limited	JMFL	Not Applicable	Not Applicable	Not Applicable
15	Honasa Consumer Limited	JMFL	17.58% [7.89%]	Not Applicable	Not Applicable
16	Zaggle Prepaid Ocean Services Limited	JMFL	30.95% [-0.67%]	Not Applicable	Not Applicable
17	Indian Renewable Energy Development Agency Limited	SBICAP	-	-	-
18	Updater Services Ltd	SBICAP	-13.73% [-1.56%]	-	-
19	Yatra Online Limited	SBICAP	-11.06% [-2.63%]	-	-
20	Senco Gold Limited	SBICAP	25.28% [-0.70%]	105.32% [1.26%]	-
21	Tamilnad Mercantile Bank Limited	SBICAP	-8.43% [-3.36%]	2.14% [4.34%]	-15.82% [-2.83%]
22	Paradeep Phosphates Limited	SBICAP	-10.24% [-3.93%]	27.50% [7.65%]	31.19% [11.91%]

Sources: www.nseindia.com; www.bseindia.com

*Data not available

Notes:

1. Disclosures subject to 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each BRLMs with common issues disclosed once.
2. Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable.
3. Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective issuer at the time of the issue, as applicable.

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4. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
5. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.
6. NA means Not Applicable - period not completed.

For further details, please refer to "Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLMs" on page 453 of the RHP.

BOOK RUNNING LEAD MANAGERS

ICICI Securities Limited Tel: +91 22 6807 7100 E-mail: mmflipo@icicisecurities.com Investor Grievance E-mail: customercare@icicisecurities.com	Axis Capital Limited Tel: +91 22 4325 2183 E-mail: mmfl ipo@axiscap.in Investor Grievance E-mail: complaints@axiscap.in	JM Financial Limited Tel: +91 22 6630 3030 E-mail: muthootmicrofin.ipo@jmfl.com Investor Grievance E-mail: grievance.ibd@jmfl.com	SBI Capital Markets Limited Tel: +91 22 4006 9807 E-mail: mml.ipo@sbicaps.com Investor Grievance E-mail: investor.relations@sbicaps.com
Name of Syndicate Members	JM Financial Services Limited, Investec Capital Services (India) Private Limited and SBICAP Securities Limited		
Name of Registrar to the Offer	KFin Technologies Limited Tel: +91 40 6716 2222; E-mail: muthoot.ipo@kfintech.com; Investor grievance E-mail: einward.ris@kfintech.com		
Name of Statutory Auditor	Sharp & Tannan Associates, Chartered Accountants		
Name of Credit Rating Agency and the rating or grading obtained, if any	Not applicable		
Name of Debenture Trustee	Not applicable		
Self-Certified Syndicate Banks	The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidders), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=34 , or at such other websites as may be prescribed by SEBI from time to time.		
Registered Brokers	Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the respective Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com , as updated from time to time.		
SCSBs and mobile applications enabled for UPI Mechanism	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.		
Syndicate Self-Certified Syndicate Banks' Branches	In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=35 , as updated from time to time or any such other website as may be prescribed by SEBI from time to time.		
Details regarding website address(es)/ link(s) from which the investor can obtain a list of RTAs, CDPs and stock brokers who can accept applications from investors, as applicable	The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the respective Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm , respectively, as updated from time to time. The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the respective Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm , respectively, as updated from time to time. For further details, see "Offer Procedure" at page 471 of the RHP.		

PROMOTER OF OUR COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification/ Corporate Information
1	Thomas John Muthoot	Individual	He holds a bachelor of commerce degree from University of Kerala. He has also completed owner/president management program from Harvard Business School. He is on the board of directors of several companies including Muthoot Fincorp Limited and Muthoot Capital Services Limited. He has over 37 years of experience in the field of financial services.
2	Thomas Muthoot	Individual	He holds a bachelor of law degree from University of Kerala. He is on the board of directors of several companies including Muthoot Capital Services Limited and Muthoot Fincorp Limited. He has over 37 years of experience in the field of financial services.
3	Thomas George Muthoot	Individual	He attended University of Kerala to pursue bachelor's in commerce. He is on the board of directors of several companies including Muthoot Fincorp Limited and Muthoot Capital Services Limited. He was previously the chairman of NBFCs Kerala and a committee member of the Finance Companies Association, Chennai. He has over 37 years of experience in the field of financial services.
4	Preethi John Muthoot	Individual	She holds a bachelor's degree in arts from the University of Kerala. She is also on the board of directors of various companies including Muthoot Agri Projects and Hospitalities Private Limited and MPG Precious Metals Private Limited. She has been associated with our Company since January 23, 2012 and has over 11 years of experience in the field of financial services.

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PROMOTER OF OUR COMPANY

Sr. No.	Name	Individual/Corporate	Experience & Educational Qualification/ Corporate Information
5	Remmy Thomas	Individual	She holds a bachelor's degree in technology from Mahatma Gandhi University. She is also on the board of directors of various companies including MPG Precious Metals Private Limited and Muthoot Infrastructure Private Limited. She has been associated with our Company since January 23, 2012 and has over 11 years of experience in the field of financial services.
6	Nina George	Individual	She holds a bachelor's degree in science from Mahatma Gandhi University. She is also on the board of directors of various companies including MPG Precious Metals Private Limited and Muthoot Motors Private Limited. She has been associated with our Company since January 23, 2012 and has over 11 years of experience in the field of financial services.
7	Muthoot Fincorp Limited	Corporate	MFL was incorporated as 'Muthoot Debt Management Services Limited' on June 10, 1997 at Trivandrum, Kerala as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Kerala. Thereafter, MFL's name was changed from 'Muthoot Debt Management Services Limited' to 'Muthoot Fincorp Limited' on March 19, 2002 pursuant to a fresh certificate of incorporation dated March 19, 2002 being issued by the Registrar of Companies, Kerala. MFL became the promoter of our Company on September 29, 2012.

OUR BUSINESS OVERVIEW AND STRATEGY

Company Overview: We are a microfinance institution providing micro-loans to women customers (primarily for income generation purposes) with a focus on rural regions of India. We are the fifth largest NBFC-MFI in India in terms of gross loan portfolio as of March 31, 2023 (*Source: CRISIL Report*). We are also the third largest amongst NBFC-MFIs in South India in terms of gross loan portfolio, the largest in Kerala in terms of MFI market share, and a key player in Tamil Nadu with an almost 16% market share, as of March 31, 2023 (*Source: CRISIL Report*).

Product/ Service Offerings: Our loan products comprise, among others (i) group loans for livelihood solutions such as income generating loans and Suidha loans (which are digital loans accessible through the Mahila Mitra application and made to existing customers to enable quick access to funds), Pragathi loans (which are interim loans made to existing customers for working capital and income generating activities), individual loans; (ii) life betterment solutions including mobile phones loans, solar lighting product loans and household appliances product loans; (iii) health and hygiene loans such as sanitation improvement loans; and (iv) secured loans in the form of gold loans and our Muthoot Small & Growing Business loans.

For further information, see "Our Business – Description of our Business" on page 193 of the RHP.

Gross loan portfolio segmentation by product/ service offering:

For further information, see "Our Business - Description of our Business - Our Products" on page 194 of the RHP.

Key Performance Indicators:

A list of our KPIs for the six months ended September 30, 2023 and September 30, 2022 and Financial Years 2023, 2022 and 2021 is set out below:

Sr. No.	KPIs	September 30, 2023	September 30, 2022	FY 2023	FY 2022	FY 2021
		Operations				
1.	Number of branches	1,340	1,008	1,172	905	755
2.	Number of districts	339	305	321	281	249
3.	Assets under management (in ₹ million)	1,08,670.66	74,494.86	92,082.96	62,549.42	49,867.11
4.	Assets under management growth (%)	45.88%	55.54%	47.22%	25.43%	3.06%
5.	Disbursements (in ₹ million)	51,815.75	34,865.20	81,044.74	46,469.63	26,367.66
6.	Disbursement growth (%)	48.62%	171.87%	74.40%	76.24%	(35.42)%
7.	Average ticket size (₹)	42,344.65	32,440.41	38,481.83	34,359.82	34,594.02
8.	Number of active clients (million)	3.19	2.40	2.77	2.05	1.86
9.	Number of repeating clients (million)	1.00	0.76	1.29	1.12	0.98
10.	Unique client accounts (million)	2.20	1.64	1.49	0.93	0.87
11.	Collection efficiency	98.89%	93.71%	95.84%	85.75%	67.52%
12.	Share of rural portfolio (%)	95.63%	95.56%	94.67%	95.33%	95.05%
13.	Share of top 3 States (%)	51.69%	59.14%	54.81%	63.58%	65.19%
14.	Share of top 25 districts	36.34%	43.96%	39.75%	47.99%	49.92%

For details of our KPIs disclosed, see "Basis for Offer Price" on page 109 of the RHP.

Client Profile or Geographies Served: India.

Industries Served: Microfinance industry.

Intellectual Property: As on the date of the Red Herring Prospectus, we have no registered intellectual property. For our business, we use certain trademarks which are registered by our Promoters, namely, Thomas John Muthoot, Thomas George Muthoot and Thomas Muthoot. Further, the domain name "www.muthootmicrofin.com" is registered in the name of Muthoot Fincorp Limited, which is our holding company and one of our Promoters. For further details, see "Our Business – Intellectual Property" on page 207 of the RHP.

Market Share: We are the largest amongst NBFC-MFIs in Kerala in terms of MFI market share, and a key player in Tamil Nadu with an almost 16% market share, as of March 31, 2023 (*Source: CRISIL Report*).

Employee Strength: As of September 30, 2023, we had 12,297 full-time employees across various business functions.

For further information, see "Our Business - Description of our Business - Intellectual Property" on page 206 of the RHP.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience & Educational Qualification	Directorships in other companies
1	Thomas Muthoot	Managing Director	He holds a bachelor of law degree from University of Kerala. He is on the board of directors of several companies including Muthoot Capital Services Limited. He has over 37 years of experience in the field of financial services.	<ul style="list-style-type: none"> • Muthoot Agri Development and Hospitalities Private Limited • Muthoot Agri Projects and Hospitalities Private Limited • Muthoot APT Ceramics Limited • Muthoot Automotive (India) Private Limited

BOARD OF DIRECTORS				
Sr. No.	Name	Designation	Experience & Educational Qualification	Directorships in other companies
				<ul style="list-style-type: none"> • Muthoot Automobile Solutions Private Limited • Muthoot Capital Services Limited • Muthoot Motors Private Limited • Muthoot Hotels Private Limited • MPG Hotels and Infrastructure Ventures Private Limited • Muthoot Housing Finance Company Limited • Muthoot Fincorp Limited • Muthoot Pappachan Centre of Excellence in Sports* • Muthoot Risk Insurance and Broking Services Private Limited • Muthoot Pappachan Technologies Limited • Muthoot Dairies and Agri Ventures Private Limited • M-Liga Sports Excellence Private Limited • Prime Volleyball League Private Limited • Speckle Internet Solutions Private Limited • The Right Ambient Resorts Private Limited • The Thinking Machine Media Private Limited
2	Thomas John Muthoot	Non-Executive Director	He holds a bachelor of commerce degree from University of Kerala. He has also completed owner/president management program from Harvard Business School. He is on the board of directors of several companies including Muthoot Fincorp Limited. He has over 37 years of experience in the field of financial services.	<ul style="list-style-type: none"> • Muthoot Capital Services Limited • Muthoot APT Ceramics Limited • Muthoot Automotive (India) Private Limited • Muthoot Automobile Solutions Private Limited • Muthoot Motors Private Limited • Muthoot Hotels Private Limited • MPG Hotels and Infrastructure Ventures Private Limited • Mariposa Agri Ventures and Hospitalities Private Limited • Muthoot Housing Finance Company Limited • Muthoot Fincorp Limited • Muthoot Risk Insurance and Broking Services Private Limited • Muthoot Equities Limited • Muthoot Buildtech (India) Private Limited • Muthoot Land and Estates Private Limited • Muthoot Pappachan Technologies Limited • Muthoot Pappachan Medicare Private Limited • Muthoot Pappachan Centre of Excellence in Sports* • Speckle Internet Solutions Private Limited • Trivandrum Centre for Performing Arts
3	Thomas George Muthoot	Non-Executive Director	He attended University of Kerala to pursue bachelor's in commerce. He is on the board of directors of several companies including Muthoot Fincorp Limited. He was previously the chairman of NBFCs Kerala and a committee member of the Finance Companies Association, Chennai. He has over 37 years of experience in the field of financial services.	<ul style="list-style-type: none"> • Buttercup Agri Projects and Hospitalities Private Limited • Finance Companies Associations (India)* • Fox Bush Agri Development and Hospitalities Private Limited • Jungle Cat Agri Development and Hospitalities Private Limited • Mandarin Agri Ventures and Hospitalities Private Limited • Muthoot Capital Services Limited • Muthoot APT Ceramics Limited • Muthoot Automotive (India) Private Limited • Muthoot Automobile Solutions Private Limited • Muthoot Hotels Private Limited • Muthoot Housing Finance Company Limited • Muthoot Fincorp Limited • Muthoot Infrastructure Private Limited • Muthoot Pappachan Centre of Excellence in Sports* • Muthoot Pappachan Medicare Private Limited • Muthoot Risk Insurance and Broking Services Private Limited • Muthoot Properties (India) Private Limited • Muthoot Pappachan Technologies Limited • MPG Hotels and Infrastructure Ventures Private Limited • Speckle Internet Solutions Private Limited • The Thinking Machine Media Private Limited
4	Akshaya Prasad ⁽¹⁾	Non-Executive Director	He holds a bachelor of arts (honours) degree from University of Delhi. He has completed post graduate programme in management from Indian Institute of Management, Bangalore. He was previously associated with Goldman Sachs (India) Securities Private Limited where he last served as executive director. He has over 22 years of experience in the financial services sector.	<ul style="list-style-type: none"> • Enzen Global Solutions Private Limited • Greater Pacific Capital India Private Limited

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience & Educational Qualification	Directorships in other companies
5	John Tyler Day ⁽²⁾	Non-Executive Director	He holds a bachelor of business administration degree from University of Texas at Austin. He also holds a master of business administration degree from J.L. Kellogg School of Management, Northwestern University. He is currently associated with Creation Investment Capital Management LLC as a partner and member of the investment committee. He has over 12 years of experience in the field of financial services.	<ul style="list-style-type: none"> • Cisiv India Private Limited • Credavenue Private Limited • Desiderata Impact Ventures Private Limited • OFB Tech Private Limited • Sohan Lal Commodity Management Private Limited • Shapos Services Private Limited • Vastu Housing Finance Corporation Limited • Vivriti Asset Management Private Limited • Vivriti Capital Limited (formerly known as Vivriti Capital Private Limited) • Vivriti Next Private Limited (formerly known as QED Business Solutions Private Limited)
6	Alok Prasad	Non-Executive Independent Director	He attended University of Delhi to pursue master's in arts. He is on the board of directors of several companies such as Gang-Jong Development Finance Private Limited. He is also the former chairperson and director of South Asia Micro-entrepreneurs Network (SAMN). He has over 34 years of experience in the field of finance.	<ul style="list-style-type: none"> • Arman Financial Services Limited • Fincare Small Finance Bank Limited • Gang-Jong Development Finance Private Limited • Digital Lenders Association of India*
7	Thai Salas Vijayan	Non-Executive Independent Director	He holds a bachelor of science degree from University of Kerala. Previously, he has served as the chairman of Life Insurance of Corporation of India and the chairman of Insurance Regulatory and Development Authority of India. He is also on the board of several companies including Kerala Infrastructure Fund Management Limited.	<ul style="list-style-type: none"> • Kerala Infrastructure Fund Management Limited • Shriram Properties Limited
8	Bhama Krishnamurthy	Non-Executive Independent Director	She holds a master of science degree from University of Bombay. She is on the board of directors of several companies such as Five-Star Business Finance Limited. She was the chief general manager of Small Industries Development Bank of India. She has an experience over 40 years in the field of financial services.	<ul style="list-style-type: none"> • Cholamandalam Investment and Finance Company Limited • CSB Bank Limited • E-Eighteen.Com Limited • Five-Star Business Finance Limited • Network18 Media & Investments Limited • Thirumalai Chemicals Limited
9	Pushpy Babu Muricken	Non-Executive Independent Director	She is an associate member of the Institute of Cost and Works Accountants of India and holds a bachelor of law degree and bachelor of commerce degree from Mahatma Gandhi University. She was the chairperson of the management committee of the Cochin chapter of the Institute of Cost Accountants. She has over 16 years of experience in in the field of finance.	<ul style="list-style-type: none"> • Joyalukkas India Limited • Service Care Limited • Aiscap Global Systems Private Limited
10	Anand Raghavan	Non-Executive Independent Director	He holds a bachelor of commerce degree from University of Madras. He is also a chartered accountant certified by Institute of Chartered Accountants of India. He was previously associated with Ernst and Young as a partner and Sundaram Finance Limited as vice president – corporate affairs. He has over 30 years of experience in the field of finance.	<ul style="list-style-type: none"> • Chennai International Centre • Five-Star Business Finance Limited • Jasmine Concrete Exports Private Limited • Nani Palkhivala Arbitration Centre • SK Finance Limited • Shriram Life Insurance Company Limited

* Categorized under Section 8 of the Companies Act.

(1) Nominee of GPC

(2) Nominee of Creation

For further details in relation to our Board of Directors, see “Our Management” beginning on page 228 of the RHP.

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and an Offer for Sale.

Net Proceeds

The details of the proceeds from the Fresh Issue are summarised in the following table:

Particulars	Estimated amount (₹ in million)
Gross Proceeds of the Fresh Issue	7,600.00
(Less) Fresh Issue related expenses	(•)
Net Proceeds⁽¹⁾	•

(1) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are proposed to be deployed in the Financial Year 2024.

Means of Finance: Not applicable

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public offers / rights issues, if any, of our Company in the preceding 10 years: Not Applicable.

Terms of Issuance of Convertible Security, if any: Not Applicable.

Name of Monitoring Agency: CARE Ratings Limited.

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS

Shareholding Pattern as on the date of the RHP:

Category of shareholder	Pre-Offer number of shares (Number of fully paid up Equity Shares held)	% Holding of Pre-Offer (Shareholding as a % of total number of shares)
Promoters and Promoter Group	99,720,468	69.08
Public	41,183,992	28.53
Shares held by employee trusts	3,453,511	2.39
Total	144,357,971	100.00

Number/amount of equity shares proposed to be sold by selling shareholders: Up to [*] Equity Share of face value of ₹ 10 each aggregating up to ₹ 2,000.00 million by certain Shareholder of our Company. For details please see page 1 of the Abridged Prospectus.

RESTATED SUMMARY STATEMENT

Summary of Financial Information

A summary of the financial information of our Company as per the Restated Financial Statements is as follows:

(₹ in million, unless otherwise stated)

Particulars	As at and for the six months ended September 30, 2023	As at and for the six months ended September 30, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021
Equity Share capital	1,401.98	1,401.98	1,401.98	1,333.33	1,141.71
Net worth	18,420.95	14,465.84	16,258.49	13,365.79	8,898.90
Revenue from operations	10,423.27	6,047.42	14,287.64	8,325.06	6,841.67
Profit after tax	2,052.57	124.66	1,638.89	473.98	70.54
Earnings per equity share					
Basic	17.57	1.09	14.19	4.15	0.62
Diluted	14.22	0.91	11.66	3.94	0.62
Return on Net Worth (%)					
Net asset value per Equity Share	127.61	100.21	112.63	97.74	77.94
Total Borrowings (current and non-current)	77,461.10	52,307.15	64,931.76	39,966.09	30,156.58

Notes:

For further details, see "Offer Document Summary - Summary of Selected Financial Information" on page 22 of the RHP.

INTERNAL RISK FACTORS

Below mentioned risks are the top 5 risk factors as per the RHP:

1. The microfinance industry in India faces certain risks due to the category of customers that it services, which are not generally associated with other forms of lending. As a result, we may experience increased levels of non-performing assets and related provisions and write-offs that may adversely affect our business, financial condition and results of operations.
2. Our business is vulnerable to interest rate risk, and volatility in interest rates could have an adverse effect on our net interest income and net interest margin, thereby affecting our results of operations.
3. The Directorate of Enforcement, Ministry of Finance, Government of India ("ED") has issued summons to our Managing Director directing him to provide certain information in relation to himself and our Company (in relation to a matter concerning the deposit of cash during the demonetization period). There is no assurance that the ED will not take any action against us or our Managing Director, which may adversely impact our business and operations, financial condition and reputation.
4. The market capitalization to revenue, market capitalisation to tangible assets, and enterprise value ("EV") to EBITDA, based on the Offer Price of our Company, may not be indicative of the market price of our Company on listing or thereafter.
5. We are unable to trace some of our historical records including minutes of the Board and Shareholders meetings and corresponding form filings. Further, certain of our secretarial records have not been adequately maintained. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation.

For further details, see 'Risk Factors' beginning on page 31 of the RHP.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. A summary of outstanding litigation proceedings involving our Company, Promoter and Directors, in terms of the SEBI ICDR Regulations, as on the date of the Red Herring Prospectus, is provided below:

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved (₹ in million) ⁽¹⁾
Company						
By the Company	339	Nil	Nil	NA	Nil	121.96
Against the Company	2	Nil	2	NA	Nil	Non-quantifiable
Directors (excluding Promoters)						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	1	Nil	Nil	Nil	Nil	Non-quantifiable
Promoters						
By Promoters	60	Nil	Nil	Nil	3	218.77
Against Promoters	8	73	1	4	6	3,837.30

(1) To the extent ascertainable and quantifiable

C. Brief details of top 5 material outstanding litigation/legal proceedings initiated against our Company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current Status	Amount Involved
1.	An FIR has been filed against our Company under sections 323, 341, 354, 451 read with section 34 of the IPC against two branch managers of our Company, for assault and outraging modesty. The Respondents filed an anticipatory bail application before the High Court of Kerala, which was granted.	Greeshma	This matter is currently pending investigation.	Non-quantifiable
2.	A criminal revision petition has been filed against our Company under Section 397 of CrPC before the Principal and District Sessions Judge, Hassan challenging the criminal complaint filed by Company under Section 406, 420, 426 alleging criminal breach of trust, cheating and dishonestly inducing delivery of property and mischief.	Chandan AC	This matter is currently pending.	Non-quantifiable
3.	The Directorate of Enforcement, Kochi Zonal Office, Ministry of Finance, Government of India ("ED") has issued summons to our Managing Director under Sections 37(1) and 37(3) of the Foreign Exchange Management Act, 1999 ("FEMA") read with Section 131(1) of the IT Act and Section 30 of the Code of Civil Procedure, 1908, directing him to personally appear at the ED office to provide evidence and to produce books of accounts and other documents, including details of bank accounts, movable and immovable properties, copies of income tax returns, and details of companies, firms, concerns, where our Managing Director is a director. Our Company representatives appeared before the ED and submitted the required information and documents.	The Directorate of Enforcement, Kochi Zonal Office, Ministry of Finance, Government of India	This matter is currently pending.	₹44,172,643
4.	Kerala Non-Banking Finance Welfare Association, an association and representative of non-banking financial institutions in the State of Kerala including our Company, has filed a civil writ petition before the High Court of Kerala, challenging a notification for fixing the minimum wage rate payable to employees, which is applicable to our Company. The High Court granted an interim stay on the notification, and subsequently extended the stay until further orders. Our Company and one of our individual promoters have also received a show-cause notice to rectify certain defects identified by the Assistant Labour Officer ("ALO") in its inspection report. Our Company's representative appeared before the ALO and submitted the required documents. The ALO filed a complaint against our Company and the individual promoter for alleged failure to upload the register of wages and employment electronically in the required form and pay the prescribed minimum wage rate to workers. The matter is currently under stay in view of the stay order passed by the High Court of Kerala.	Assistant Labour Officer, Attingal	This matter is currently pending.	Non-quantifiable

C. Disciplinary action taken by SEBI or the Stock Exchanges against the Promoter in last 5 financial years including outstanding action, if any:

None

D. Brief details of outstanding criminal proceedings against the Promoter:

- Abdul Kahder filed an FIR under Sections 457 and 380 of IPC for recovery of gold ornaments that were allegedly stolen from his residence.
- The Senior Inspector of Legal Metrology, Mallapuram filed a complaint under Sections 190 and 200 of CPC authorized under Section 14(3) of the Legal Metrology Act, 2009 before the JFCM, Manjeri, for the alleged error in recording the weight of the gold pledged in the pledge card.
- Sholly Rajan filed a petition under Section 451 of CrPC before the JFCM, Ernakulam, against the area managers of our Mattanchery and Kalamaserry branches of MFL for the interim custody of gold seized by the police.
- Omkar Prathap Tiwari filed a complaint to recover gold stolen from his premises. Pursuant to this, our Corporate Promoter, MFL, received a seizure notice by the police under Section 91 of the CrPC seeking seizure of stolen gold.
- Our Corporate Promoter, MFL, received a seizure notice by the police under Section 91 of the CrPC, in relation to pledged gold which formed part of case property in an ongoing theft investigation.
- Donapuri Farjana, MFL's customer pledged stolen gold with our Corporate Promoter at its Guntakal branch to avail loan. A complaint was filed to recover the stolen gold, pursuant to which the police had issued a notice under Section 91 of the CrPC to recover the stolen gold.
- Ara Sekhar, a manager at Bajaj Finance Limited filed a criminal revision petition against our Corporate Promoter's branch manager of the Koraput branch to recover certain gold ornaments pledged with MFL.
- The Department of Central Excise, Customs & Service Tax carried out service tax assessment on Muthoot Pappachan Consultancy and Management Services Limited for the period 2007-08 to 2012-13, where Thomas John Muthoot was a partner at such time alleging that Thomas John Muthoot knowingly evaded payment of service tax and failed to supply the required information. The Kerala High Court has granted a stay.

For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" on page 426 of the RHP.

ANY OTHER IMPORTANT INFORMATION AS PER BRLMs/COMPANY – Nil

DECLARATION BY OUR COMPANY

We hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements, disclosures and undertakings made in the Red Herring Prospectus are true and correct.

DECLARATION BY THE SELLING SHAREHOLDERS

Each of the Selling Shareholders hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made, confirmed or undertaken by me in the Red Herring Prospectus about or in relation to me, as a Promoter Selling Shareholder and my portion of the Offered Shares, are true and correct. Each assume no responsibility, for any other statements, disclosures and undertakings including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in the Red Herring Prospectus.