



ANNUAL REPORT 2018



TABLE OF CONTENTS

Preface	05
From the Chairman's Desk	06
From the Managing Director's Desk	07
Chief Advisor's Communique	08
AGM's Communique	09
About the Organisation	10
Management Directory	11
Profile of Key Peoples	12
Organisational Information	13
Microfinance in Max United	14
Max United model Microfinance	15
Microfinance Loan Procedure	16
Financial Products from Max United	17
Other Main Departments	18
Social Responsibility Programs	19
Board Meeting Details	22
Success Stories	23
Systems & Operational Tools	24
Management Information System	25
Financial Performance of the Organisation	26
Graphical Representation of Financial Performance	27
Audit Report	28
Note on Accounts	32
Organisational Profile at a glance	32
Conclusion	33

CORE VALUES AND SERVICES OF OUR ORGANIZATION

OUR CORE VALUES

Unity

Nimbleness

Integrity

Trustworthiness

Ethics

Dependability

OUR DEPARTMENTS

Microfinance

Social Banking & Insurance

Natural Resource Management

EDP Trainings

Health & Sanitation

Educational Services



Unity



Nimbleness



Integrity



Trustworthy



Ethics



Dependability

Sectors of Intervention

- Community based Microfinance
- Development of Women and Children
- Social Security Measures
- Natural Resource Management and Organic Farming
- Financial Literacy and Educational programs
- Artisan and Handicraft Development
- Non-conventional Energy and Alternate Technologies
- SC/ST Community Development
- Disaster Management
- Health and Sanitation

INDIA

OPERATIONAL FOOT PRINTS



- EXISTING
- PROPOSED

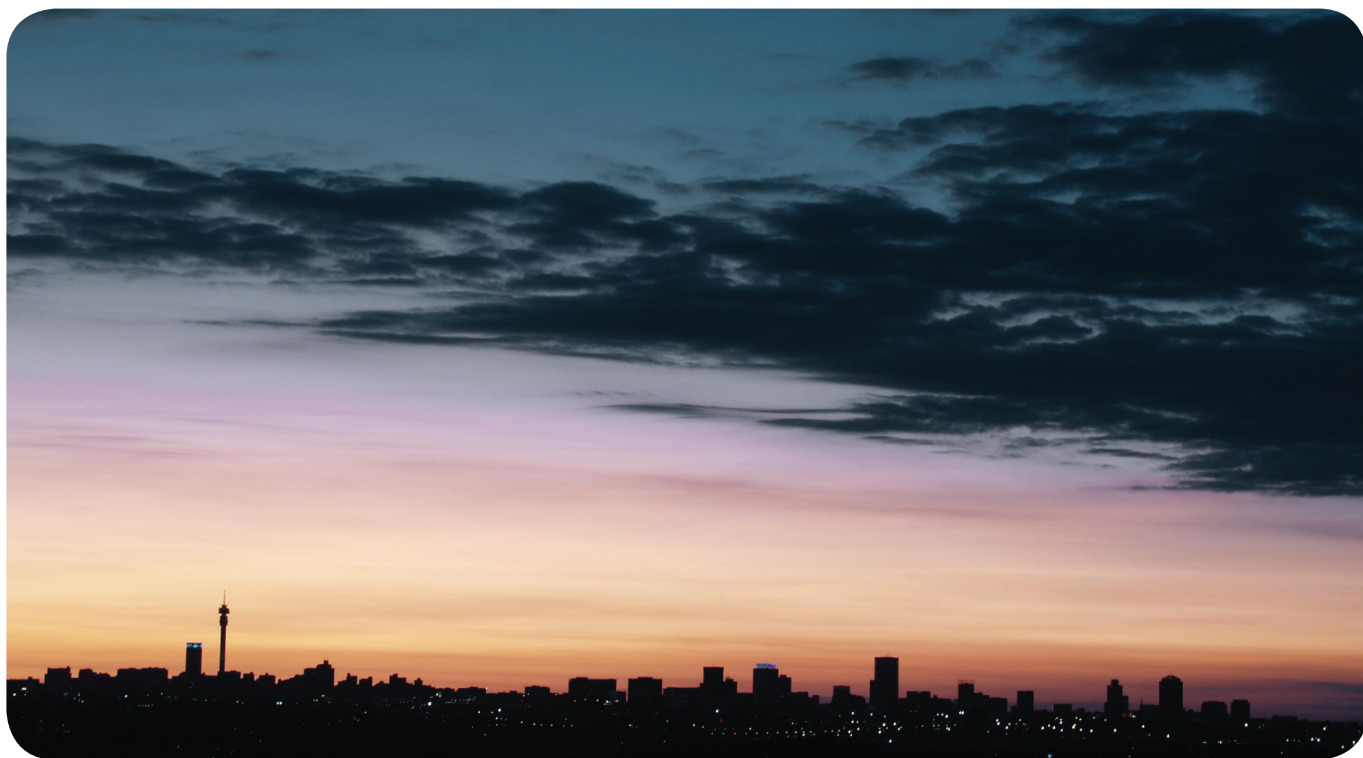
KERALA



ERNAKULAM

OUR BANKS





PREFACE

Dear Readers,

We are stepping into another year in organising the poor and marginalised towards sustainable development process. One of the sectors of our intervention during the reporting period 2017-18 was community based microfinance.

The primary objective of this report is to highlight the performance made in the implementation of various activities to achieve our objectives particularly with the help of microfinance. We are sure that this report is a valuable source of information to our stakeholders and clients.

As the name denotes "Max United" strives for the unity and integrity of our target groups to come out of their present living hazards to a living state of dignity and empowerment. We are aware that we have not succeeded fully but have initiated a positive step for their integrated development. Our major objective is in a twofold dimension providing both financial and social returns to the target groups.

The motto aims not only for the present scenario but also for the future, emerging from the digitalization of the world. It is possible to put our experience for the betterment of the people and to remain open for a life-long learning process. This annual report depicts the various activities undertaken by the organization for the integrated development of the people in its operational area.

We are highly obliged and thankful to all those who have extended their assistance and co-operation for our successful performance during the period of this report.

Thanking You,

**Board of Directors,
Max United**



CHAIRMAN'S COMMUNIQUE



Jose A Kuriakose
Chairman

Dear All,

It has been an encouraging year for Max United Foundation and I am very happy to present before you the 2nd Annual Report of MAX UNITED for the year 2017-18. On behalf of MAX UNITED team, I take this unique opportunity to share with you our major milestones of performance during the reporting period. I see our growth in three different angles – Growth of our borrowers, staffs and our organization. This year we have added many feathers to our cap. This journey is a matrix of addressing client needs, employee engagement and strategic decision making to achieve the objectives of our organization.

When I talk about client needs that means how we have been able to meet their expectations of improving their life standards in their respective community. Our organization left no stone unturned to work on the existing operational imbroglio and bring in smooth service delivery for the clients. We emphasized on some of the very necessary products like Home Loan and Product Loan during the year, which we believe are just extremely beneficial for a low income family to have credit at their doorstep either to renovate or to extent their residing structures.

Likewise, we have made the client grievance mechanism a lot more user-friendly with a dedicated team of Tele-callers who make outbound calls to clients, keeping a check on frauds and assessing borrower feedback at the same time. This has invariably helped us in retaining our clients over the loan cycles.

In my recent visit to some of our JLGs, I got a chance to meet the budding women micro entrepreneurs in those groups who are running successful micro-enterprises like fruits and vegetable cultivation, dairying, backyard poultry, piggery, goat rearing apart from non-farm activities like candle making, catering, fish vendors, grocery stores, rural artisan works etc. I am proud to state that, our small initiative has opened a new horizon for development in their communities.

I am fortunate to have the guidance and support of people from various sectors to provide financial and technical inputs to our clients. I am thankful to our members, Board of Directors, Advisers, Staff, Banks, Local Bodies, Government Departments and other individuals for their sincere contributions. I reserve my special gratitude towards my Auditors and my Well-wishers for their untiring efforts and sharing their valuable suggestions in appropriate time.

I am highly thankful particularly to my staff, during the days of demonetization, farmer's issues, regulatory changes and other operational problems and they were able to overcome these hurdles with firm determination for success. I personally feel humble to have such a dedicated workforce and hope that they will be able to do much more in the development sector in future.

With Kind Regards,

JOSE A. KURIAKOSE
Chairman



MANAGING DIRECTOR & CEO's COMMUNIQUE



Anish John K.
Managing Director & CEO

Dear All,

2017-18 was particularly challenging for our organization, and our customers. Our total portfolio volumes increased by 5.42 times against the previous year, in spite of the financial crisis faced during the period.

Financial Safety and Culture

The financial safety and culture of our customers are ensured since all the transactions of our organization are routed through bank accounts and can be verified at any point of time. Further the customers are easily approachable on either side or have direct link through weekly meetings. Max United has reached 120 JLGs, with a membership of 600 and our present portfolio is 65 Lakhs as at the end of March 2018.

Our work culture is unique in every aspect and is based on democratic principles. I am always committed to embarking on a cultural change program, supported by the overarching principles of respect, transparency, collaboration and performance. These principles will guide all our decision making process as well as our interactions with our stakeholders.

Service Improvement Initiatives

MAX UNITED has a number of loan products and service oriented programs to suit the needs of our clients and to ensure our organization to reach the goals and objectives. Now we have a good management team, having experience in various financial institutions and Micro Finance Organizations. Our stake holders include various Govt. Departments and financial institutions including banks. Our organization is working for the sustainable development of women, children, small and marginal farmers and SC/ST people. Our contribution to the development sector has been well recognized by the Local Bodies, Govt. Departments etc.

In the reporting year we were able to provide innovative initiatives like Distribution of seeds and seedlings, Health awareness programs, skill training programs, financial literacy programs, Industrial motivation campaign, entrepreneurship development programme, Study kit for students etc. Our initiative has resulted in benefiting a large number of tribal people in Kuttampuzha Panchayath.

Our similar accomplishments this year has contributed organizing the weaker sections of the community particularly women to form many Joint Liability Groups (JLG) for their financial and social development and we look forward for another successful year.

Technology and Innovation

We are very happy to state that our MIS Department has been stabilized by introducing new software for housekeeping and microfinance. We believe that we are in the right track in providing innovative, value-added products and services with a proven track record in improving customers' productivity. We will remain at the leading edge of innovative product development, leveraging our ability to be ahead of our competitors and provide customers with products that are proprietary innovations.

Outlook

2017 was a year of challenges for us wherein we had to make a number of difficult decisions and take decisive actions in the current phase of difficult market conditions. Today Max United is well-known in and around Ernakulum district for its unique and novel initiatives for development. We are with the people for their sustainable development and with nature for environment protection.

May I take this opportunity to thank all our stake holders and group members for their support and involvement. We thankfully acknowledge the timely assistance rendered to us by Government Departments, Local Bodies and Financial Institutions particularly our Banks. We also thank our Advisory Board members and our staffs who are the back bone of this organization. I hope this annual report will inspire you to join our team for the integrated development of our fellow beings.

With warm greetings,

Thanking You,

Anish John K
Managing Director & CEO



CHIEF ADVISOR'S COMMUNIQUE



Joseph Antony
Chief Advisor (Operations)
Ex-LDM, Bank of Baroda

Dear All,

I am so glad to know that Max United is bringing out its annual report for the year 2017-18. The most notable contribution during the reporting period is formation of a number of Joint Liability Groups (JLG) by Max United for the development of women in Kothamangalam and surrounding areas. Several Small and Micro enterprises were started during the reporting period with the financial and technical support obtained from various agencies. Community based Micro Finance on-Lending programs of Max United has resulted in obtaining both financial and social returns to the target groups. The JLGs promoted by the organization are effectively net-worked to fight for their individual and group problems on a common platform for arriving suitable solutions.

The main objective of these groups is to set up Micro Enterprises for income generation for both farm and non-farm activities, focusing on women, marginal farmers agricultural laborers and tribal families. Max United provides Micro Finance up-to Rs.50000/- per member on affordable rates with repayment period up-to 24 months. The milestone in the reporting period under Micro finance sector is 100 % fund utilization and repayment.

I appreciate the commitment and dedication of every one at Max United family as a team to achieve the objectives of the organization. I wish and pray that the organization would become the pioneer for the integrated development among the development organizations in our state.

With Kind Regards,

Joseph Antony
Ex-LDM, Bank of Baroda
Chief Advisor (Operations)



Elby Thomson
Asst. General Manager

Dear All,

Another year has passed with lot of challenges and success for Max United during the period 2017-18.

Max United entered the community of the target groups by providing individual attention for each group members, leading the members to form their community based tiny organization say Joint Liability Groups (JLG). The organization under its microfinance department has conducted many training programs such as awareness programs, capacity building programs and entrepreneurship development programs in collaboration with Govt. Departments, Local Bodies and banks.

Our commitment to community development with micro finance has been very successful. We have provided 65 Lakhs to 335 members for starting income generation activities. All the staff members have contributed their best to achieve this great success by working as a team with the management.

In this reporting year Max United has made association with various development agencies both Govt and Non Govt. agencies including banks for providing social and financial services to the group members adequately. International women's day was celebrated in a grand manner during the reporting year at the premises of Max United Head Office. Many meaningful and creative open discussions were made by exchange of views by the women group members. Many Micro Finance and related programs such as social security schemes, financial literacy programs, health programs etc. are being implemented in the community of our members.

I hope this report will provide necessary inputs for review and generate positive feedback for doubling our efforts for developments.

With best wishes,

Elby Thomson
AGM

ABOUT THE ORGANIZATION

Max United Foundation is a registered public charitable trust (NGO/MFI), headquartered at Kothamangalam, Kerala established in January 2017. As a social development organization, Max United Foundation works to alleviate poverty through the integrated community development approach referred to as the five pillar programme. Max United Foundation combines the key areas of women empowerment leading to job creation, enterprises development, child labor elimination, health, environment and skill building to redress poverty.

Max United was established with an objective of serving economically and socially backward clients who have limited or no access to the basic financial and social services. The focus has been clear, to reach the areas where formal financial institutions find it unprofitable to settle in. Its objectives have not only limited to just reach and serve but also by providing financial, social and technical support to strengthen entrepreneurial skill for effective and efficient undertaking of business activities. The organization provides as many as various products offered for the development of our clients.

The wide spectrum of products offered by the organization reveals the diversity in its services. It is the only organization started from Kothamangalam to have a wide gamut of products provided for the holistic development of its clients. Max United started with providing loans to Joint Liability Groups for income generating activities but later started working towards making their lives better by not just extending credit facilities but also looking after their health, education, enterprise development, scaling up their dairy business and providing loans to those segments of the society who are socially and economically excluded. Presently, organization provides products such as, Income Generation Loans, products Loans, Personal Loans, Home Loans, Dairy Development Loans and Education Loans.

The organization is planning to implement on next financial year onwards Water and Sanitation Loans. It's aims to provide sanitation and clean drinking facilities to the required clients by giving credit to construct toilets; hand bore wells, water connection, water purifiers, etc. WS Loans are extended to our clients to help them reduce the time spent on collecting water from common sources and also by focusing on their hygiene. The product also offers trainings to its clients for improving their health and maintaining hygiene.

"SAMARTHI" Loans are extended towards those isolated by the society due to various social ills and superstitious believes. Under these products, loans are provided to people with disabilities, widow/single mothers, transgender and eunuch communities and also for the family members of leprosy affected persons. These loans are accessible by the affected persons or their family members with much ease.

OUR VISION

"Ensure Human Dignity and Social Justice for a Peaceful Society".

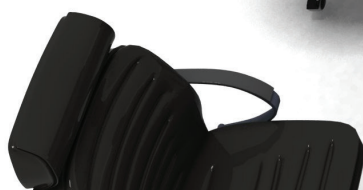
OUR MISSION

"We work to provide Financial and Social Returns to the people in a sustainable manner".

THE MAIN OBJECTIVES OF THE ORGANIZATION

- To establish Community Based Organization for integrated development of the society by building up a value based society through microfinance activities.
- To facilitate empowerment and uniform development of the weaker sections and the vulnerable groups in the society particularly women and those belonging to SC/ST category.
- To promote sustainable development in agriculture and allied activities, focusing on organic farming.
- To promote MSME activities including promotion of handicrafts.
- To facilitate necessary infrastructure development for the target group through habitats.
- To promote sustainable health and health care practices among the people.
- To promote eco-friendly and sustainable rural technologies among the people.
- To rehabilitate the victims of natural and man-made calamities along with disabled and aged persons.
- To mobilize and manage resources for the proper functioning of the organization.

Max United plays a significant role in the community mainly in areas of Human and Institution development community based Micro Finance,



Community mobilization, savings and Loans Promotion, rural technologies, Natural resource management, Financial literacy program, Social security schemes etc.

FUTURE OUTLOOK

The organization has a modest vision and mission and it is very vivid in the organization's bye-laws. The organization is going forward by defining a specific goal each year to accomplish its vision and mission. The goals and objectives and their functionalities up to 2020 are as follows.

GOAL OF THE ORGANIZATION FOR FY 2018 – 19

VISION 2020

Vision 2020 was initially prepared and documented on the beginning of the organization under the chairmanship of Jose A.K and a team of 3 experts. The plan is described as follows

“Transform the organization into a high serviced social activity forum. Reach the growth rate of women employment and self reliance through natural resources, women empowerment, enterprises development training, health and sanitation and educational programmes”.

The Key factors of the Vision are...

1. Establish Total 10 branches for Microfinance and related activities.
2. Expand microfinance operations to Tamilnadu & Karnataka.
3. Enrol 10000 Members and form 2000 Joint Liability Groups.
4. Achieve 50 Cores loan disbursement and 40 cores Outstanding Portfolio.
5. Maintain 100 % member / borrower ratio.
6. Achieve 65 staff members for operations.
7. Maintain 100 % customer satisfaction.
8. Maintain 100 % recovery and 0 % delinquency.
9. Start monthly magazine for customers.
10. Establish owned head office building.

ADMINISTRATION AND OPERATIONS

The Head Office of Max United Foundation situates at Kothamangalam, the gate way of high ranges, near IDBI bank which is about 50 km away from Cochin.

Kothamangalam is a Municipality in the eastern part of Ernakulam district in the state of Kerala. It is around 14 km northeast of the town of



Muvattupuzha and 55 km north east of Kochi city. The town is at the foothills of the Ghats mountain ranges. The Ernakulam –Madurai – Rameswaram NH -49 passes through Kothamangalam. It is the headquarters of Kothamangalam Taluk and municipality which is also known as a trading centre for spices and forest products. The Chairman, The Managing Director, The Chief Operating Advisor and the AGM of the Organization have 10-30 years of experience in the social development sectors particularly in Microfinance and Institution Development activities at the community level.

Max united foundation is one of the microfinance organizations based on its registered office at Kothamangalam. Now we have started our operations in one state, Kerala. Our head office cum hub branch situates at Kothamangalam. On next phase we are planning to start and expand our operations at Tamilnadu wherein the implementation process is going on. Right now the Max United Foundation has only one branch here at Kothamangalam.

Branch level activities are controlled by the branch manager, Branch manager is monitored by Area manager and Area manager are monitored by the Head Office. For the effective administration and operations, an MIS department and Internal Audit department also functioning in the head office.

MANAGEMENT DIRECTORY

BOARD OF DIRECTORS

Max United' s Board of Directors (Board of Trustees) is primarily responsible for the overall management of Max United in accordance with its articles of association and rules & regulations of the organization. It is composed of qualified senior professionals with extensive experience and in-depth knowledge of financial services.



Jose A. Kuriakose , Chairman

Jose A. Kuriakose Aryapillil is a diploma holder in Electronics, businessman, planter and eco-friendly builder by profession. He is the Board Member of the Rajiv Gandhi Cultural Society and a member of YMCA Kerala State Council. He is from one of the well known ancient Christian family, Aryapilly and presently the President of “AryapillilKudumbaYogam”. He served as an Auditor to Marthoma Valiyapalli, Kothamangalam and also a consultant and advisory member of various social development organizations. Mr. Jose KuriakoseAryapillil is the founder of Max United and the main guiding spirit of the organization.



Anish John K, MD & CEO

Anish John K is the Managing Director and Chief Executive Officer of the organization. He is the co-founder of the organization, a business man by profession, hold a Bachelor Degree in Commerce from Mahatma Gandhi University and Master Degree in Business Administration from Madras University. He is also engaged in so many social development activities in personally and with the help of well-wishers. He is also an active member of YMCA, LIONS Club.

PROFILE OF KEY PEOPLE IN MICROFINANCE ACTIVITIES

Microfinance & Training Activities are lead by two experienced professionals
Mr. Joseph Antony and Mr. Elby Thomson.



Joseph Antony
Chief Advisor (Operations)

He is the chief advisor (Operations) of our organization. He is a banker having around 35 years of experience in financial sector especially in microfinance and social banking operations. He started his career with Bank of Baroda and retired from the same as Lead District Manger. He holds a Master Degree (MSW) in Social Work from Vinayaka University, Tamilnadu and Graduation in Agricultural Science from Kerala Agricultural University. He also graduated from St. Francis Xavier University, Nova Scotia, Canada on Community Based Micro Finance.



Elby Thomson
AGM. (Microfinance Operations)

Microfinance Experts, hold a graduation in Economics and a post graduation in Business Administration. He is a seasoned professional with over 16 years of experience in Microfinance, micro-enterprise development and development sector consulting. He worked with leading NBFC/MFI's and NGO/MFI's in Kerala and Tamilnadu. He is experienced in Loan policy making, Implementation of process and procedure, Recruitment, Training and port folio management, Delinquency management and economic analysis. He is the assistant department head of microfinance and chief of the microfinance operations.

ADVISORY BOARD



Roy Paul
Rtd. DIG of Registration
Chief Advisor



Adv. Joy C Paul
Legal Advisor



Dr. K. John Kurian
Sr. Advisor

OTHER DEPARTMENT HEADS & STAFF



Sabi Varghese
Manager
HR Department



Rajan K. Xaviar
Manager
Training Dept.



Jessy Jose
Manager
Admin.



Ancy Ibrahim
Sr. Loan Officer



Sumitha M.S.
Accountant



Sreeja Santhosh
Loan Officer



Anish Vijayan
Training Faculty



Limeesh Thomas
Internal Auditor



Snoby Paul
Asst. Manager
Health &
Rehabilitation

ORGANIZATIONAL INFORMATION

Name of the Organization		MAX UNITED FOUNDATION	
Also Known as		MAX UNITED MICROFINANCE	
Registered Office	1 st Floor, Pulinattu Properties, Near IDBI Bank, Kothamangalam, Ernakulam, Kerala - PIN-686691	Registration No	No.1/11V/17
Phone No	0485 2828285, 8330828285	Constitution	Public Charitable Trust
Category and Sub-category of the Organization	NGO / MFI	Whether a listed Company	No / This is not a listed company.
Email	maxunitedfoundation@gmail.com	Date of Registration	23 rd January 2017
Website	www.maxunited.co	PAN	AAETM8758P
Board of Directors	Name		Designation
	1	Jose A.K Aryapillil (House) Kozhipilly P.O, Kothamangalam	Chairman
	2	Anish John K. Kurisinkal (House) Kumarapuram P.O, Pallikkara, Ernakulam	Managing Director / CEO
Advisory Board	1	Joseph Antony Poovathinkal (House) Kunnu Road, Angamaly	Chief Advisor (Operations)
	2	Roy Varghese Puthukunnathu House, Kottappady, Kothamangalam	Chief Advisor
	3	Dr. K. John Kurian Kurisinkal House, Pallikkara, Ernakulam	Senior Advisor
	4	Adv. Joy C. Paul, BSc., LLB 3rd Floor, Selman Chambers, AL Jacob Road, Ernakulam	Legal Advisor
Higher Executives	1	Elby Thomson Valiyaparamabil (House) Kombanadu P.O, Chooramudy, Perumbavoor	AGM & Chief of Microfinance Operations
	2	Sabi Varghese Kurisinkal (House) Kumarapuram P.O, Pallikkara, Ernakulam	Manager HR & Chief Compliance Officer
	3	Jessy Jose Aryapillil (House) Kozhipilly P.O, Kothamangalam	Manager Administration
Other Committees & Departments Head	4	Jose A.K Aryapillil (House) Kozhipilly P.O, Kothamangalam	Head - Investment Committee
	5	Anish John K Kurisinkal (House) Kumarapuram P.O, Pallikkara, Ernakulam	Audit and Risk Committee
Faculty	6	Rajan K. Xavier Anish Vijayan	Head Training Department Asst: Head Training Department
External Auditor	Noble George	Internal Auditor	Limeesh Thomas

MICROFINANCE IN MAX UNITED

Out of the major sectors of the interventions, community based microfinance is the focussed area and the unique features of our intervention are given below.

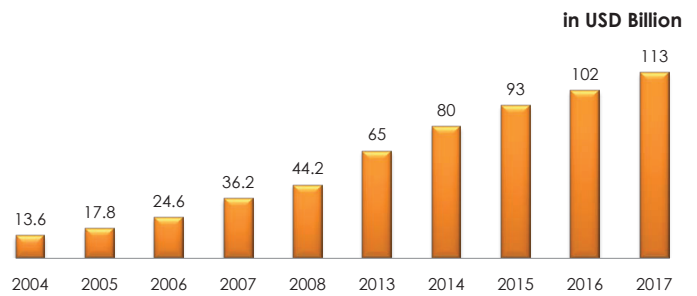
Inspired by Prof. Mohammed Yunus—who brought socio-economic reformation in Bangladesh, it was under the leadership of Sri. Jose A. Kuriakose, initiated very small level microfinance activities at Ernakulam district, Kerala during the year 2015-16 with the help of Mr. Anish John K. They provided small loans to some SHG groups and collect the amount on weekly basis. “Grameen” model where relevant during the initial year. As the initiative programme success grew in size they decided to start the activity in larger size as legally through a NGO. With the support and advice of Mr. Joseph Antony, Ex-LDM, Bank of Baroda and Elby Thomson, a Microfinance Experts, they established a new NGO/MFI at Kothamangalam in January 2017 and adopted JLG model of microfinance. In this model, we intended to motivate the members and graduate them to a normal banking habit. We promoted bank A/c for every JLG, and an individual A/c for every member as per member's choice. The JLG member will have to contribute Rs 50/- for their savings and mutual lending is permitted from the weekly savings deposited under the supervision of Loan Officers. The organization gives loan not to the group but to the individual member of the group as per the norms. Repayments are collected on weekly basis by the staff members who visits the group every week.

Characteristics of Microfinance

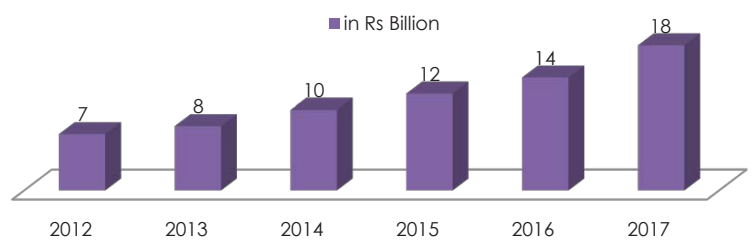


Growth of Microfinance Volume Worldwide

In 2017, the lending volume has reached gargantuan sizes in comparison with 2004. The diagram below shows the data from around 2000 institutions providing financial services. There are actually more than ten thousands microfinance institutions that lead one to think the global and Indian volume is even higher.



Growth of Microfinance in India

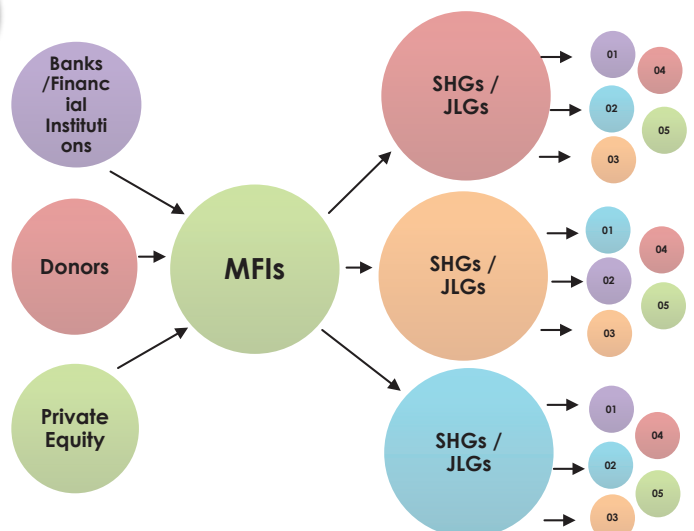


Role of NGOs in Microfinance

Non-governmental Organizations (NGOs) are playing a vital role in rural reconstruction, agricultural development and rural development even during pre independent era in our country. In the post independent period the NGOs became a supplementary agency for the developmental activities of the government and in some cases they become alternative to the government. After the introduction of microfinance through Self-Help Groups (SHG), they penetrated into each and every corner in India and actually the NGOs are responsible for converting the pilot project of microfinance into a major programme and the NGOs are responsible for making the microfinance through SHG as the largest programme in the world. The study reported that NGOs are playing vital role in the formation of SHGs and motivating women to join the groups and linking the groups with the banks for microfinance.



FUNCTIONING OF MICROFINANCE INSTITUTIONS



MAX UNITED MODEL MICROFINANCE

Max United stands for the 'wholistic' empowerment of the poor and marginalized. Through the constant intervention in the society, we realized that the socio economic empowerment of women is highly resulted in the process of poverty alleviation and through the same the families in the target group can achieve employment opportunities and via Financial Self reliance. Among the villagers an earning male spends 25-40% of his income for himself but the women are bringing 95%-100% of their income to their family.

Max United is equipped with JLG Model Microfinance. This is a simple model of microfinance. Joint Liability Group is a concept established in India in 2014 by the rural development agency National Bank for Agriculture and Rural Development (NABARD) to provide institutional credit to small farmers.

WHAT IS JLGs?

"A Joint Liability Group (JLG) is an informal group comprising of 4-10 individuals of same village/locality of homogenous nature and the same socio economic background who mutually come together to form a group for the purpose of availing bank / mfi loan without any collateral on individual basis or through group mechanism against mutual guarantee. "

General features of JLG

A Joint Liability Group (JLG) is an informal group comprising of 4-10 individuals coming together for the purpose of availing bank loan on individual basis or through group mechanism against mutual guarantee. Generally, the members of a JLG would engage in a similar type of economic activity in the Agriculture and Allied Sector. The members would offer a joint undertaking to the bank that enables them to avail loans. JLG members are expected to provide support to each other in carrying out occupational and social activities.

Specific features of JLGs

1. Members should have a common activity.
2. Members need not to have a land title.
3. Members should be of the same village.
4. Only One member of a family can become a member of JLGs.
5. Members should not be a defaulter of bank loan.
6. Member should hold regular meetings.

Criteria for Membership

Members should belong to similar socio-economic status, background and environment carrying out farming and Allied activities and who agree to function as a joint liability group. This way the groups would be homogeneous and organized by likeminded farmers/Individuals and develop mutual trust and respect.

The members should be residing in the same village / area / neighborhood and should know and trust each other well enough to take up joint liability for group/ individual Loans.

Members who have defaulted to any other formal financial Institution, in the past, are debarred from the

Group Membership.

More than one person from the same family should not be included in the same JLG.

Group Approach

All members of the JLG should be active enough to assume leadership of the group to ensure the activities of the JLG. The selection of an effective / able / active leader for the JLG is essential as this will ultimately benefit all the JLG members. The leader fosters a sense of unity, oversees and maintains discipline, shares information and facilitates repayments. For the bank, he is the focal point for group activities.

The JLG should hold regular meetings which must be attended by all the members regularly to discuss issues of mutual interests.

The principles of self - help and group strength need to be emphasized. Group cohesion has to be ensured. Adequate emphasis should be placed on the roles, expectations and functions of the group/ members & the benefits of group dynamics.

The JLG can easily serve as a conduit for technology transfer, facilitating common access to market information, for training and technology dissemination in activities like soil testing, training and assessing input requirements.

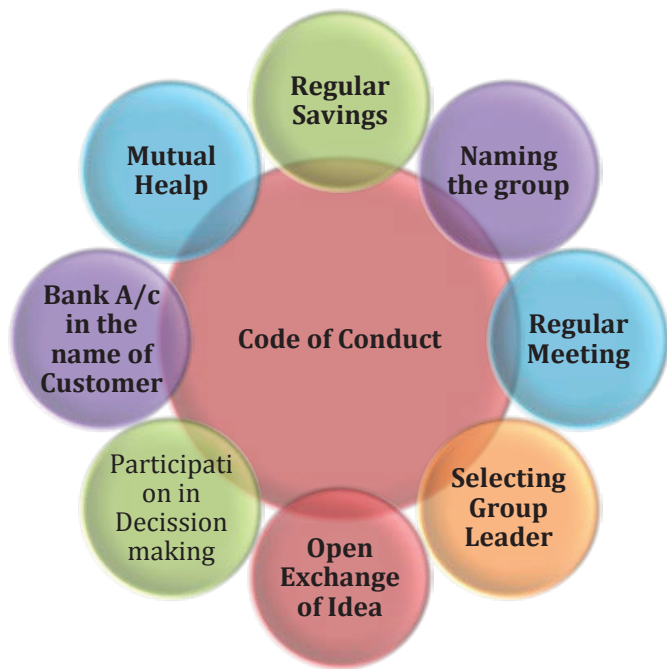
The JLGs for specific activity, e.g. production of pulses / vegetables / fruits may be federated at village/ block level for development of the product.

The JLG in the clusters on their stabilization could come together in the form of cluster federation or producers' companies with a view to contributing the entire value chain and thereby achieving economics of scale in procurement, processing and marketing of the produce.

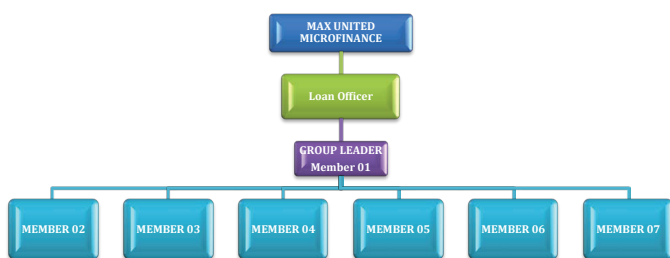
The JLGs and evolving JLG structures are expected to build up empathy and understanding and create responsive lending mechanisms leading to greater interaction and interdependence between the members of JLGs.

CHARACTERISTICS AND CODE OF CONDUCTS OF JLGs





GRAPHICAL REPRESENTATION OF A JLG HYRARCHY



METHODOLOGY FOR JLG LOAN

A group is consisting of 5-7 members will form a JLG. The group formation will be done after a series of meeting with the people in their area. The first step is to contact the local leaders of the area to communicate about the program. Once they understood the concept, we do the criteria survey.

The loan officer will make house to house visits and ensure that the identified persons are fulfilling the norms laid out under JLG concept. The Loan Officer also makes it sure that the candidate is not a member of other S.H.Gs/ JLGs or any other groups such as promoted by similar organizations. The identified members will be given an initial awareness on the JLG concept and its significance to enable the candidate to take a firsthand decision to proceed further or to withdraw or to postpone joining the JLG.

Then, a three day continuous Pre-Admission Training (PAT) of one and a half hours duration per day will be conducted in the village itself. In the training program a descriptive exposure regarding the concept and operations of Max United Micro Credit Program will be made to the trainees who will provide necessary clarity to them. All sorts of doubts will be cleared during these training days. Max United will make it sure that the trainees are convinced with the JLG concept and the benefits they are getting both individually and group wise, particularly focusing on the family development.

Max United will not make any sort of false promises to the candidates and they will be given full freedom to take a decision in consultation with their family members.

In the last day of the training they will return the loan application form along with photo and proof of residence and the branch manager will examine the JLG and hand over the application to credit department for approval.

There will be training to JLG leaders on book keeping and accountancy and leadership. Loan Cards and necessary registers for the members and JLG will be given. The members have to save Rs.50 every week and keep the amount on the safe custody of the Cluster leader. Considering the special geographical set up of the area and the nature of the people it is very difficult for them to open S.B accounts and operate the accounts mainly due to distance factor. Since it is mandatory for our field staff to attend the weekly meeting all initial apprehensions will be cleared on the spot and a self confidence is built in them. The weekly savings should use for their internal lending programme with the supervision of consent loan officer.

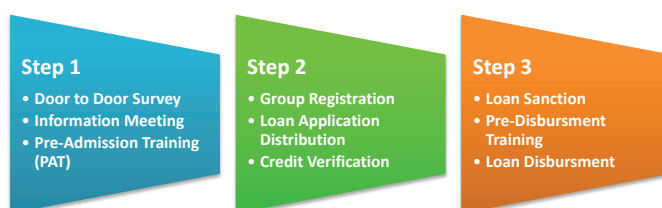
Max United continues this process of close follow up and monitoring right from the first weekly meeting to the termination of the membership.

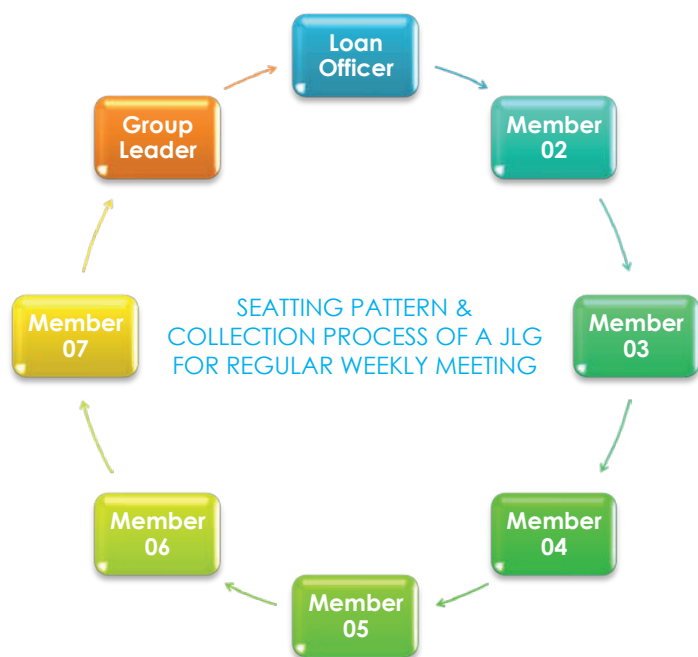
We have also taken urgent steps to cover all JLG members under micro insurance of Oriental Insurance Company and also to cover their assets where ever necessary.

LOAN PROCEDURE

For taking a loan from Max United the members should request the same to the JLG and if it is a genuine case the JLG will allow the member to get the loan application form Loan Officer. A loan application will be given to the member and has to be filled it and submit in the weekly JLG meeting. It will be discussed in the JLG and the loan application will be recommended by the JLG. Usually the JLG has to score a minimum mark of 160 out of 200 for qualifying to apply for a loan. The JLG will submit the loan application to the Loan Officer with their recommendations. The branch manager of Max United will make processing of the applications and hand over to the credit department. The credit department will check and verify the loan application and meet the customers personally and sanction the loan within a week if the customers has followed the credit policy.

THREE STEPS FOR A JLG TO GET A LOAN FROM MAX UNITED





SEATING PATTERN & COLLECTION PROCESS OF A JLG FOR REGULAR WEEKLY MEETING

FINANCIAL PRODUCTS FROM MAX UNITED

MAX UNITED MICROFINANCE adopts Joint Liability Group model and have cent percent women clients. The Organization lends for Income generation activities, Personal Needs, Educational purpose, etc. MAX provides door step delivery of our services through group meetings and we strictly adhere to the RBI/ MFI guidelines.

The credit department will check and verify the loan application and meet the customers personally and sanction the loan within a week if the customers has followed the credit policy.

RBI - MFI Guidelines for Microfinance

Criteria	Limits
No of MFIs	Maximum 2
Annual Income of Borrower	Rural = Less than 1.20 Lakhs Urban = Less than 1.60 Lakhs
Total Indebtedness	Less than 1 lakh
Loan Size	1st Cycle = up to 30,000 Subsequent cycle = up to 1,00,000/-
Loan period	Up to 30,000/- = 1 year Greater than 30,000/- = 2 years
Interest Rate	As per RBI Norms
Processing Fee	As per RBI Norms
Repayment Frequency	Weekly, Fortnightly and Monthly
Collateral / Security Deposit	No collateral / Security Deposit

As per the RBI mandate all MFIs have to be a member of all credit bureaus and should submit data with respect to lending to its clients on a weekly basis. MAX UNITED is new NGO/MFI and unfortunately we are not member of any credit bureaus yet. But we are trying to join as a member of all credit bureaus before next year ending.

Income Generation Loan (IGL)

Income Generation Loans is our core product through which the credit needs of lack of financially underserved households are met. An Income Generation Loan is provided to individuals in a group comprising a minimum of 5 and a maximum of 7 women. The loans are based on group guarantees. After completion of each cycle or tenor of a loan a customer can avail another loan generally for a higher amount. The loan amount ranges from Rs. 20,000 to Rs. 1,00,000.

Products Attributes	Description / Details
Purpose	To create assets or provide working capital for any lawful income generation activity
Loan Amount	1 st Cycle – Rs. 20000/- 2 nd Cycle – Rs. 35000/- 3 rd Cycle – Rs. 50000/- 4 th Cycle – Rs. 60000/- 5 th Cycle & above – Rs. 60000 – 1,00,000/-
Rate of Interest	15.00%
Collateral / Security Deposit	No collateral / Security Deposit
Processing fee	As per RBI Norms
Loan Period	up to Rs.20000/- 1 year above Rs.20000/2-years
Repayment Frequency	Weekly
Moratorium Period	1 Week / According to repayment frequency

PERSONAL LOAN / PRODUCT LOAN (PL)

The product loan is designed to the group members who have completed six months under MAX UNITED microfinance programmes for fulfill their personal needs like purchasing home appliances, mobiles, other electronics and electrical items, repay another debts and any other personal expense. This product is covered to all existing small batch loan customers with a ticket size of up to Rs. 10,000 – 15,000 for a period of up to 12 months.

Product Attributes	Description/Details
Purpose	Consumption / Personal purpose
Loan Amount	1 st Cycle - Rs. 10000/- 2 nd Cycle & above – Rs. 15000/-
Rate of Interest	15.00%
Collateral / Security Deposit	No collateral / Security Deposit
Processing fee	1% of the loan amount + service tax
Loan Period	up to Rs.15000/- 1 year
Repayment Frequency	Weekly
Moratorium Period	1 week - according to repayment frequency

Education Loan (EL)

The education loan product is designed to member's children who have going school for their tuition fee, admission fee, exam and library fee, purchase of text books, uniforms and other school-related material. This product is covered to all existing small batch loan customers with a ticket size of up to Rs. 5,000 – 15,000 for a period of up to 12 months.

Product Attributes	Description/Details
Purpose	For the educational purpose of group members' children for meeting tuition fee and non tuition fee.
Loan Amount	Up to 10 th Std - Rs. 5000/- For Plus 2 & -1 Rs. 10000/- Above +2/College - Rs. 15000/-
Rate of Interest	15.00%
Collateral/Security Deposit	No collateral / Security Deposit
Processing fee	1% of the loan amount + service tax
Loan Period	Up to 15000 – 1 year
Repayment Frequency	Weekly
Moratorium Period	1 week / according to repayment frequency

Housing Loan (HL)

Many of our customers construct homes slowly and 'incrementally' over time, in keeping with their needs and the availability of resources. The home improvement loan speeds up this process of minor improvements, extensions, repairs and renovations thereby improving the standard of living of our customers. The product is covered to

customers with a proven credit history after they have completed 12 months in a small batch loan structure. The loan amount ranges from Rs. 50,000 to Rs. 1,00,000 for a tenure of up to 24 -36 months.

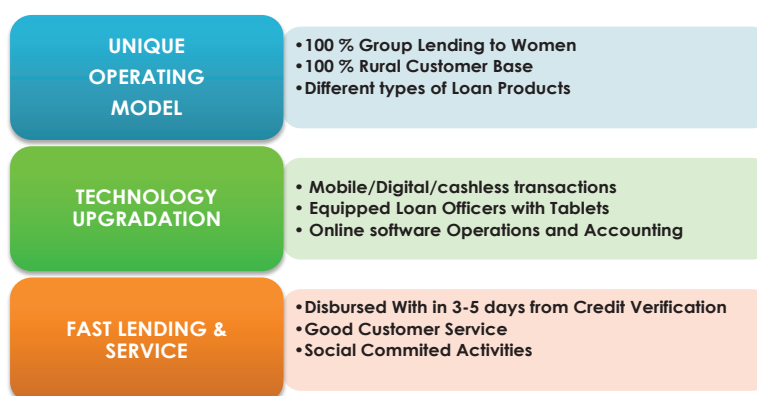
Product Attributes	Description/Details
Purpose	For construction of new house and extension/renovation of existing house
Loan Amount	From Rs 50,000 to Rs 60,000
Rate of Interest	15.00%
Collateral / Security Deposit	No collateral / Security Deposit
Processing fee	1% of the loan amount + Service tax
Loan Period	24 months
Repayment Mode	Weekly
Moratorium Period	1 Week

OUR WINNING STRATEGY

We are well placed to capture significant movements of the micro credit operations in Kothamangalam Block, Kerala. Our geographical presence, experienced and professional advisors, management, staff, efficient operating metrics, comfortable capital position and optimal utilization of existing infrastructure are enabling us to grow at a healthy stride.

Max United gives more importance to the formation and stabilization of grass route organizations to facilitate a people owned development process, women empowerment etc. for the sustainable growth of the communities.

COMPETITIVE STRENGTHS OF MAX UNITED MICROFINANCE



OTHER MAIN DEPARTMENTS

Human Resources Development Department

Human resources are the God given mechanism with in every human being for their survival and prosperity. But some time the powerful mechanisms of human resources are used for destruction of wealth and life. On the other hand especially among the marginalized society the human resources are neglected or unidentified.

Max United stressfully focuses on the youth, children and women to develop their resources, basically socio educational, physical, cognitive, virtues and values.

In order to bring out maximum result, we have conducted a series of personality development Programs, skill identification and development programs, educational, carrier guidance, counseling, motivation, awareness programs and kids education programmes. An effective follow up activities is also an ongoing program.

Natural Resource Management Department

There are precious resources the nature have provided for the existence of life in the universe. A co-existing and mutual depending system is established by the nature. When this system is disturbed in any form, it raises challenges against the existence of life.

The destruction of Forest, water and air pollution, unauthorized construction, releasing harmful gases and the use of plastic and chemicals are the main threat to the natural resources.

Here is the importance of natural management; our team gives awareness to the public about the natural resources. The Human beings are the major ones among the living species who enjoy the natural resources and at the same time, he destroys the same. Motivation and awareness are the preventive measures we can implement to protect the nature and its resources. Water, and Soil conservation, organic farming etc., are our great concern.

The awareness campaigns and seminars we have conducted on the natural resources conservation and management has brought up a great change in the approach of our target groups towards the nature. In our target villages the water is well managed and saved like a precious thing. The villagers are having the vision that the natural resources are not only for the present generation but for the future too.

Health & Sanitation Department

Many times the challenges of health and well being are often higher for the poor and marginalized who lives an un secured life. The mall nutrition, un healthy living situation, lack of awareness on health and hygiene. Unavailability of health services in the hand reach is the major factors which strengthen the challenges.

There are lots of Government programs going on to promote health concerns. But often the main stream society is enjoying the same rather than the poor who is more vulnerable.

Through this department we aim to create a healthy and hopeful environment for the target group. Awareness towards health and hygiene with the government support is needed in the sector.

Community Development Department

Village based community development is our main vision. We realize women empowerment is the master tool and approach to reach the target of community development. Our micro finance activities are a supportive system which helps and improves the acceleration of the activities. The JLGs acts as a class room as well as a workshop, where the women are shaped their thinking, learning to think and act positively towards every situations which come across their life. With our constant interventions and motivations now the villagers are more aware about their rights, responsibilities and social living.

Moreover we conduct seminars, awareness programs on human rights, customer rights legal and personal rights women entrepreneurship available government programs and more on income generation activities

We assure frequent intervention and constant monitoring to bring out the maximum result. During the reporting period we could cover more than eight villages with minimum overall strength of 350 to 500 families throughout our operational areas.

There is an up going marking on the scale of development. We are sure that within a short time span our target community will stand with the main stream society.

Social Security Department

Once the insurance coverage was far beyond the reach of poor and the marginalized. At the same time when an unexpected event happens, its consequence effects badly to them. Presently there are a lot of insurance programs promoted for the low income group. But it has not reached the target group with its full intention.

Realizing the situation, after a long term study, survey and discussion with various insurance companies, we made agreement with various Insurance Companies to promote micro / group insurance for JLG members.

We are planning to implement Prime minister's social security schemes like PMJJBY, PMSBY and APY to entire target group in the coming days. It is found very helpful and great encouragement for the poor ones.

Livelihood Development Department

Under livelihood development various entrepreneurship development programs are implemented. Poverty alleviation is the focus area and Max United Pays more importance to Livelihood development activities along with community based Institutions. The ultimate aim is to make the poor financially self-reliant and to increase their standard of living by implementing activities like income generation with Micro Finance, Promotion of entrepreneurship, Marketing support etc.

SOCIAL RESPONSIBILITY PROGRAMMES FY 2017-18

We are providing and organized so many additional social responsibility services and programmes to our customers and the target groups. During the year, our team organized and provided a lot of social responsibility programmes like awareness programmes, trainings, seminars, campaigns, forums, celebrations and socially committed activities to the needy people. Some of the details are given below.

Employee Engagement Activities

The Organization during the year took an initiative to organize interactive and knowledge sharing sessions among its staffs on each Saturday. Saturday sessions are taken by the employees at MAX for the other employees. The objective of these sessions is to share knowledge with others on subjects of the presenter's forte. The sessions organized varied from self-learning and growth by the Director, to sessions such as - Artist within you, Poetry, How to Learn things, and on other informative topics, such as; Understanding Max United Microfinance, suggestions of new loan products and services, on making a presentation, Gender Mainstreaming, Government schemes on insurance and social services for common man, Quiz on General Knowledge etc.

Each session had contributed in overall learning of participants and has given them the opportunity to learn about topics other than the ones relating to working sphere. While understanding the importance of "Swachh

Bharat", team Max took the initiative of cleaning Kothamangalam Municipal Park, one of the biggest parks in Kothamangalam Block. The cleanliness drive was aimed at cleaning the environment of the park by disposing off waste found in the vicinity of the park, making it cleaner and greener.

A staff day celebration was organised on the theme "Women & Livelihoods", wherein all the staff members participated in the various competition and shared their career experience and vision.

Health Awareness Programmes

With the support of local Body, 4 awareness programmes were organized. Majority of the health awareness programs focusing on Non-Communicable Diseases and against Tobacco, Alcohol, Drugs uses. Monsoon awareness programs and special awareness Programs for group members were also organized. The programs focussed on identifying life style diseases and making members aware of the same. 200 members were benefitted from the programmes.

Environmental Awareness Programs

Scarcity of natural resources and increasing global warming are the two major problems against the sustainability of life on earth. The people at the bottom of the pyramid are the most vulnerable to such threats as they don't have sufficient means to manage these changes.

The Environment Department at MAX undertakes various activities to equip the JLG members as well as the community with knowledge on the environment.

World Environment Day

World Environment Day was observed to spread the importance of conserving the nature and the ecosystem. "Connecting People to Nature" was the theme for the year 2017. A program was organized at the head office on 5 June 2017 in the presence of Mr. Tomy Joseph, Senior Manager, South Indian Bank. Various plants were distributed to the members on this occasion.



Vegetable Seeds Distribution

On 18th December 2017, free vegetable seeds distribution programme held at MAX UNITED head office. The programme was inaugurated by Mr. Saju E.P, Asst: Agriculture Officer, Kothamangalam. Mr. Jose A.K, Anish John K, and Elby Thomson, attended the programme from the beginning to end. This programme helps to know the importance of Organic farming, vegetable cultivation and how to cultivate each vegetables etc . Around 35 members have been benefited from this programme. Almost ten types of vegetable seeds were distributed to the members in this occasion.



The World Water Day

The World Water Day was organized for the members to address the burning issue of water shortage. The theme for World Water Day 2018 is 'Nature for Water' – exploring nature-based solutions to the water challenges we face in the 21st century. The programs also highlighted the Importance of water purifiers in their daily life. Water purifiers were distributed to the members during the program.

Seminar on Climate Change

A participation seminar cum training was conducted on the subject regarding "Climate Change & Renewable Energy" at MAX UNITED head office on 23/03/2018 under the leadership of Mrs. Sabi Varghese, HR and NRM Manager. 35 JLG members were attending the programme. Jose A.K, Chairman inaugurated the programme in the presents of Anish John K, Managing Director of the organization.

Seminar on "Energy Efficiency and Conservation

Seminar on "Energy Efficiency and Conservation" was organized at head office of MAX United. Anish John K, Managing Director of the organization inaugurated the programme and Jose A.K, Chairman, Elby Thomson , AGM, Jessy Jose, Manager Admin was present over the function.

Industrial Motivation Campaign

Max United conducted a "Industrial Motivational Campaign" on 30/01/2018 at head office, Kothamangalam. Programme was inaugurated by Josep Antony (Ex-LDM, Bank of Baroda) and the campaign leads by Mr. Elby Thomson (Assistant General Manger, Max United), Roy Varghese (Rtd. DIG of Registration) and Sabi Varghese (Project Head, Max United). The purpose of the campaign was to give motivation to the group members for self employment and self reliance. Around 35 members participated in this campaign.

Financial Literacy Programs

This program was organized with an aim to educate the members on financial matters like how to effectively utilize the loan amount, how to create long term assets, budget preparation etc. Around 175 members from 35 groups had been benefitted from the program.

Livelihood Support

We provide Livelihood Support Services to the clients by organizing skill training programs and creating marketing avenues to sell their products beyond their local settings. We also help them in getting linked to Government schemes that are meant to support small and medium scale entrepreneurs.

Skill Training Programs

These sessions were aimed to support the members in launching income generation activities. The programs covered topics like Jewel making, handicraft, organic farming, umbrella making, doll making, soap-powder making, mushroom cultivation, beautician course, food processing, fabric painting and awareness and orientation programs on food safety.

Identification & Classification of Micro Entrepreneurs

More than two hundred entrepreneurs were identified and classified based on the type of business, income, number of employees, formalization and region. 20 case studies of entrepreneurs were collected and a database has been prepared on 220 entrepreneurs.

Leader's Meet & Onam Celebration

MAX UNITED celebrated our first Onam festival as "LEADER'S MEET" with our Joint Liability Group Leaders. Organized the meet at head office on 22/09/2017 and distributed TATA TEA DUST to all participants as small gift. Mr. Parveen M.S, Branch Manager, Bank of Baroda, inaugurated the programme. 35 group leaders participated in this occasion.



Staff Family Meet & Christmas Celebrations

MAX UNITED celebrated STAFF FAMILY MEET & CHRITMAS CELEBRATION at head office on 23/12/2017. All staffs and their family members attended the programme. Mr. Joseph Antony, Ex-LDM, Bank of Baroda inaugurated the celebration and Mr. Jose A.K, Anish John K, Roy Varghese, ElbyThomso, Jessy Jose, Sabi Varghese and Mariya Xavier participated in the programme. Christmas gifts were distributed in the occasion to all the staff and board members. A memento gifted to Mrs. Ancy Ibrahim as "Best Staff 2016-17" for her valuable contribution to the organization during the year 2016-17. Around 55 individuals participated in the programme.



Seminar on "Women Safety"

Seminar on the subject of "Women Safety" was organized at head office on 28/04/2017 for the JLG members. Mr. Anish John K, Managing Director of Max united inaugurated the seminar. Mr. ElbyThomso, AGM, Max United presided over the function. Mr. BijuPaulose ASI of Police, Idukki Special Branch was leading the seminar. 45 members were participated the seminar and benefitted from the same.



Training on "How to Become a Good Entrepreneur"

A Training Programme was conducted at head office on 22/02/2018 on the subject on "How to become a Good Entrepreneur" to empower the women entrepreneur of our groups group with an aim to improve their self reliance, entrepreneurship qualities, career vision and accounting. 50 members benefitted from the training. Anish John K, Managing Director of the organization inaugurated and Mr. Elby Thomson, AGM of the organization was the resource person for the training.

Blood Donors Forum

Max United started a "Blood Donor's Forum" with the co-operation of local bodies on last year. Presently the forum is functioning at the registered office. Here we found very difficult to get blood to serve a life when emergency occurs. Many times the expense also becomes a challenge for the poor people. Lack of medical specialty facilities also a life threatening challenge for the villagers.

In order to minimize the expense and the risk, the blood donor's forum is much helpful. The donor's forum is a voluntary group of youngsters who is ready to donate blood in emergency without any charges. This year also, Max United has organized a "blood tested camp" to the members who came to join the forum. First line information of the donor is available with us. About eleven people have donated blood through this forum.

Foundation Day Celebration

January 27th, 2018 marked the birth of our foundation day – where we celebrated our first foundation day with courage and commitment and many of our customers and staffs participated. We launched a contest to the JLG members to source heart touching success stories. Finally, selected customers were felicitated and were invited to share their success stories. Mr. Jose A.K, Chairman inaugurated the celebration. All staff members and 40 JLG members participated in the celebration.

Capacity Building Programmes

Capacity building Programs were conducted to empower the members and group leaders, with an aim to improve their self-esteem, entrepreneurship qualities and standard of living, Group monitoring capacity. Capacity building programs cover activities like Leaders meet, Area meetings, Group formation etc. Last year, 18 programs were conducted and 450 members were benefitted from the same. 6 special capacity building programs were

conducted for group leaders for microfinance and JLG accounting.

International Women's Day

International Women's Day is a global day for celebrating the social, economic, cultural and political achievements of women. The day also marks a call to action for observing gender parity. In this occasions, we organized women's

day program and seminar on the subject of "Are women safe in the society" at Head Office on 8th March 2018 by honouring the members who had successfully utilized the loan amount disbursed from MAX UNITED. Mr. Joseph Antony, Ex LDM Bank of Baroda led the seminar and Mrs. BindhuSasi, President, Women's Co-operative Society, Varapetty inaugurated the programmes. 75 members participated from our Joint Liability Groups.



BOARD MEETING DETAILS

Seven Director Board Meetings were held during the financial year ended on March 31st 2018. These meetings were held on 29th May 2017, 28th July 2017, 09th September 2017, 14th November 2017, 18th January 2018, 18th February 2018 and 1st March 2018.

Directors Attendance Record

SI No	Directors Name	Designation	Board Meetings during the financial year 2017-18		Whether present at the previous Held Attended AGM
			Held	Attended	
1	Jose A. Kuriakose	Chairman	7	7	Yes
2	Anish John K	MD/CEO	7	7	Yes

Staff Meeting Details

During the financial year 2017-18, Twenty Seven staff meetings were held at head office and the details are given below

SI No	Staffs Name	Designation	Staff Meetings during the financial year 2017-18		Present Status of the Staff
			Held	Attended	
1	Jose A.K	Chairman/CFO	27	24	Still working
2	Anish John K	MD/CEO	27	25	Still working
3	Joseph Antony	Chief Advisor (Operations)	27	8	Still working
4	Roy Paul	Advisor	27	2	Still working
5	Elby Thomson	AGM	27	25	Still working
6	Ancy Ibrahim	Loan Officer	27	25	Still working
7	Jose Mathew	Branch Manager	27	2	Resigned
8	Manju Manoharan	Accountant	27	12	Resigned
9	Sreeja Santhosh	Loan Officer	27	8	Still working
10	Sumitha MS	Accountant	27	8	Still working
11	Mariya Xavier	Manager	27	3	Resigned
12	Sabi Varghese	Manager HR	27	10	Still Working
13	Jessy Jose	Manager Admin	27	10	Still Working

SUCCESS STORIES

We have so many success stories in the past year. We have disbursed only Rs 65 Lakh as loan for 350 people for their Income Generation Activities. But let's say amazing, there are hundreds of successful stories in itself. Because of space constraints, few people's success stories are provided here for you. This is a small beginning, but we are so happy to hear these types of testimonials.

Mrs. Sunitha Shibi, Cattle Rearing, Vadattupara, Kothamangalam – JLG No KLM/G/33/17

Sunitha is a home maker, had a cow before taking loan from max United. From this cow, she was getting few liters of milk which was only for their family needs. Her husband is a taxi driver having a nominal income. She wanted to buy one more cow which is giving more milk. She took Rs 35,000 as Income Generation Loan from us and bought one more cow. Now, she is getting about ten liters of milk from the two cows daily. Now Sunitha is earning around Rs 350 per day. This is an additional source of income for their family.



Liya Rajeev, Grocery Shop, Karukadom, Kothamangalam - JLG No KLM/G/12/17

Liya Rajeev, 34 years old medical nurse. Liya was not able to work in Hospital where she was working before because she has to take care of her small children. Her husband is a daily wage worker with a nominal income. Days gone and their family life become more difficult due to insufficient income. Finally she decided to start a grocery shop near her house. But due to lack of working capital her business became miserable. Liya couldn't meet the demand of the customers due to financial constraints.

She availed a loan of Rs 20,000/- from us and increased her stock and also started vegetable business in the same shop, which helped her to increase her business income. We extended additional loan of Rs 35,000 for a period of 24 months resulting in more family income. This enabled her to buy more stationary stock and school kits. After three months her business grown steady and smoothly, she happily acknowledges that, Max United, help her to grow her business and gave her more confidence to think bigger.

Manju Bertin, Agriculture, Pndimana, Kothamangalam – JLG No KLM/G/47/18

Manju Bertin, a home maker has five members in her house. She lived with her husband and two children in a remote village of Kothamangalam block. Her husband is hard working farmer but getting very low income per month. After her marriage she was going for tailoring near her house. Due to less business, she was not getting sufficient income from the shop. After one year, she decided to help her husband and she availed a loan from us for Rs 20,000. She spend the loan amount Rs 20,000/- to purchase seeds and fertilizers. After three months, she got more production from the vegetable cultivation than the past years. After that she purchased a cow with the money and now she is earning Rs 400 per day.



SYSTEMS & OPERATIONAL TOOLS FOR MICROFINANCE

Human Resources

The total Staff strength in Micro Finance portfolio management comes including the Managing Director & CEO. At present Max United Foundation has one office for Micro Finance activities and the branch is attached to the registered office at Kothamangalam. Three more branches are proposed to open during this financial year. All the staff members are trained in Micro Finance activities and four staff members have got more than 5 year experience in various Micro Finance Organizations.

Investment Committees

The Investment Committee, appointed by the Board of Directors, reviews investment proposals prepared by the Manager and makes recommendations to the Board of Directors. As at starting of the organization, the Investment Committee was chaired by Mr. Jose A Kuriakose, Chairman of Max United.

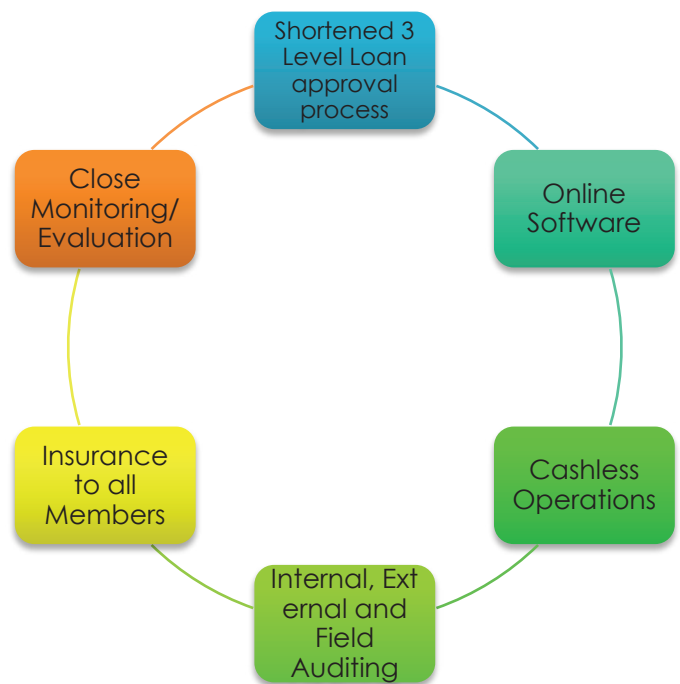
Risks and Management Strategies of the Organization

Risk is an integral part of the Organization's service, and sound risk management is critical to the success of the organisation. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates. The Organization has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Organization. The risk management process is continuously improved and adapted to the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The organization has developed a scoring tool that

helps in evaluating the branch, staff, and member's performance under different parameters. These parameters are periodically monitored in order to reach an unbiased judgement of branch performance. As a part of periodic risk assessment all the potential and actual risk events are being documented and dashboards are being developed to quantify and monitor the key risk indicators associated with those anticipated risk events. A threshold limit is set for each category and accordingly the concentration is monitored. The threshold limit is set according to the number of years of operation in a particular geography.

RISK MANAGEMENT TOOLS



INTERNAL AUDIT

In financial year 2017-18 microfinance activities were audited at least once in every quarter, including both scheduled as well as surprise audits by the Auditors who in return carry out the field audits as per the quarterly schedule prepared by audit managers at Head Office. On their visits, auditors check loan annexure and related documents and registers available in the office and groups scheduled from the last audit date. Field Visits are also conducted in order to check the process and regulatory deviations at the field and report their findings of inconformity with organization's guidelines through the audit tool. The major findings are then shared with the Audit Team at HO. Policies and procedures are followed and management takes appropriate and timely corrective action in response to internal control gaps identified by auditors. The team at HO presents the findings' report to the respective persons seeking a clarification for non-compliance and future course of action to address the findings within a specific period of time (usually ranging between 7 to 15 days). Team at HO keeps track of the compliance and visits the office and filed to look for the basic checkpoints, i.e., the current Findings of the Branch documents, field visits and the Compliance levels of the previous find-

ings to check whether the issue has been resolved. The findings are later shared with the organization's board of directors to provide them as well as senior management vital assurance of the quality of the organization's internal control system. In doing so, the Internal Auditors ensure compliance with the guidelines and improvement in the operational process of the organization.

FUTURE STRATEGIES

For the coming year the organization is planning to expand its activities in new states, Tamilnadu and Karnataka. The organization is working on arranging in-house and external training programmes specifically on database management for credit analysis and decision making. The organization is also planning to work with external agencies and consultancies on the new tools & parameters responsible for credit analysis. Also, the organization is working on online Loan approval process in the coming year. With the changing dynamics and sectoral developments, max United has come up with several initiatives in FY 17-18. Credit committees made functional to strengthen the Internal control and quicken the decision making process.

Post demonetization, the organization has reviewed its credit policy and its team movement plan to keep track of eminent changes of the sector. In-house training cum review sessions across different areas has been organized.

Credit and Appraisal

The Organization has a dedicated department responsible for credit underwriting and monitoring loan sanction process. The Credit team comprises of appraisal officers and credit manager designated at various levels and in different states to look after appraisal process.

Technology

The organization has implemented more innovations in technology wise development. In 2017-18 Max United established our new software for Microfinance operations and Accounting from MBT Software Solutions Pvt. Ltd, Trivandrum. Through the development of software and related tools, the organization has accomplished the first level technology developments. The organization is also keen to conduct more developments in the coming years in this section.

Management Information System and its Operations

During the year, the organization has been preparing all the reports like Loan Creation, Loan Approval, Disbursements, Branch Audit and Surprise Group Visits as customized modules within the MBT Solutions which has helped the organization track the entire loan lifecycle. Further, the organization has also integrated this system with the Credit Bureau such that credit decisions are automated based on prescribed parameters and available within minutes.

Our Loan Officers collect the installments regularly and remit in the bank as per the repayment schedule. Max United makes strict monitoring of the loans and keeps a track on what happens to the loan and the borrowers and review the loan portfolio systematically. It is mandatory for the concerned field staff to attend the weekly JLG meeting and to bring her/his observations to higher authorities. Max United has taken initiative for developing a software package for efficient monitoring of its micro finance activities with the help of MBT Software Solutions, Trivandrum.

The relevant information is systematically entered in the software and generation of statements is ensured for maintaining a healthy loan portfolio. Specially trained field staffs with an aptitude for rural development and rural financing are entrusted with the micro finance activities. Max United is taking a lot of initiative to provide necessary skill, knowledge and competency both to office and to field staff. This has proved great success in day today functioning of our micro finance business activity. A calendar of monitoring and follow up activities particularly in the post disbursement period are worked out and definite roles and responsibilities are fixed for each staff. A weekly monitoring and follow up reports are reviewed at apex

The management information system is the study of information and its impact on the individual, organization, and the society. Management information system is used to describe a broad class of information system that are designed to provide information needed for effective de-

cision making by managers. Information system consist of a set of people procedures and resources that collect, transform and disseminates information. In an organization Information technology is the tool and techniques that support the design and development of information system. Data is in the form of text numbers and figures: Processed data is information. The information such provided be reduced of its subjectivity and should be relevant well formatted, complete, timely and accurate.

Steps of Data Converting in MIS to get Report



The objective of the MIS is to effectively utilize information resources. Information in the right format is made to the decision maker at the right time. MIS aim to invent document and control all resources. MIS aim to improve communication both within and outside the organization. MIS emphasize the reusability of information culminate or reduce data redundancy, Information management is the duty of every Max United staff.

Mobile Devices

The organization is planning to implement a mobile solution with the help of MBT Software Solutions Pvt. Ltd for capturing certain field audit process and has now initiated the implementation of mobile solutions for both Sourcing and Repayment processes which is planned to be piloted during the first half of FY18.

Analytics

The organization has implemented a Business Intelligence & Analytics Solution in order to better understand customer and market patterns, so decisions can be made in a more scientific manner.

Compliance Management

The organization implemented a Compliance Management System with an inbuilt workflow to track, escalate, monitor and report on statutory and internal compliance requirements.

Call Center

The organization implemented a dialer solution to handle its inbound and outbound calls. During the current year, the organization plans to look at a more scalable solution in an effort to be able to better address customer needs.

Website

The organization have a website, developed by Voxo Solutions Pvt.Ltd, Ernakulam. Website: www.maxunited.co

Email

The organization have an internal and external communication system and the system is working more through email. Our Organization's main email Id is: maxunitedfoundation@gmail.com

Loan Processing

The organization's operations hub situated in Kothamangalam, to reduce the turn-around time for loan processing and based on their success, is working towards establishing a hub in each location in future and adopting innovative technology solutions to further reduce the processing times and ensure customer delight.

Cashless System

In its continuous endeavor to help our customers become financially included and encourage them to use formal banking channels, we started an initiative of making cashless disbursement into the bank account of the customer. We now propose to take this for all our next-cycle disbursements and also carry out repayment collections through bank transfer making our entire loan transaction cashless. We have launched this as IG Loan Product this will help ensure that our customers use bank accounts and build a financial track record that would help them graduate to other banking products over a period of time.

FAIR PRACTICE CODE AND GRIEVANCE REDRESSAL MECHANISM

Fair Practice Code

The RBI had been issuing revised Fair Practice code guidelines from time to time and our organization has adhered to all of them without any compromise. The fair Practice codes, code of conduct and grievance Redressal Mechanism have been displayed prominently in the head office of the organization.

Max United has adopted a Board approved policy on Fair Practices Code and Grievances Redressal Mechanism which provides operating guidelines for effective dissemination and implementation of responsible business practices and to constantly review the functioning of grievance redressal system. Max United follows various guidelines issued by the Reserve Bank of India (RBI) on Fair Practices Code for NBFC-MFIs and has also adopted the Industry Code of Conduct developed by the MFIN (Microfinance Institutions Network).

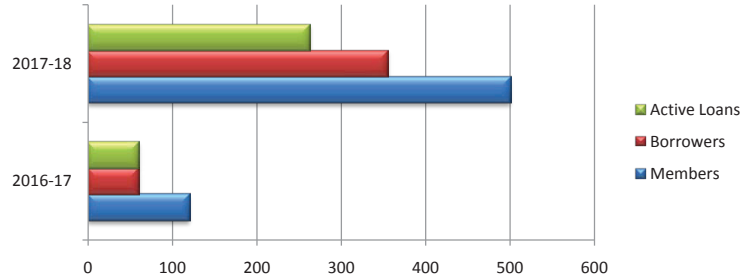
Grievance Redressal Mechanism at Max United

Max United adopted a well-structured client grievance redressal mechanism and provides customers a reliable and easily accessible interface for timely and fair resolution of enquires and complaints. The policy aims to minimize the instances of customer complaints through proper service delivery and review mechanism. Max United provided multiple levels of contact and escalation points for customers to get their queries clarified promptly.

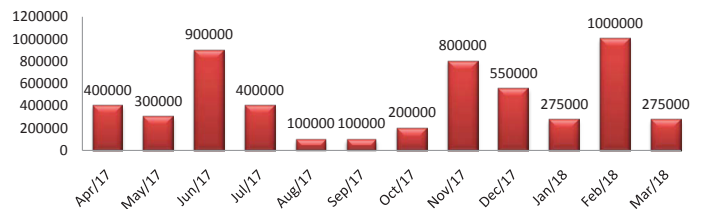
FINANCIAL PERFORMANCE OF THE ORGANIZATION

Our revenues have slight growth and reached the profit during FY 17-18. In the financial year under review, we reported a net profit of Rs. 23,156.45. Our Capital growth is increased from Rs14,25,000 of 2016-17 to 25,95,233 in 2017-18.

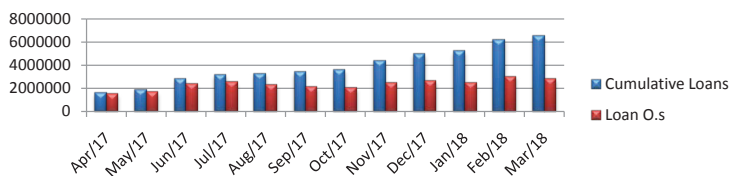
Business Growth Comparison 2017-18



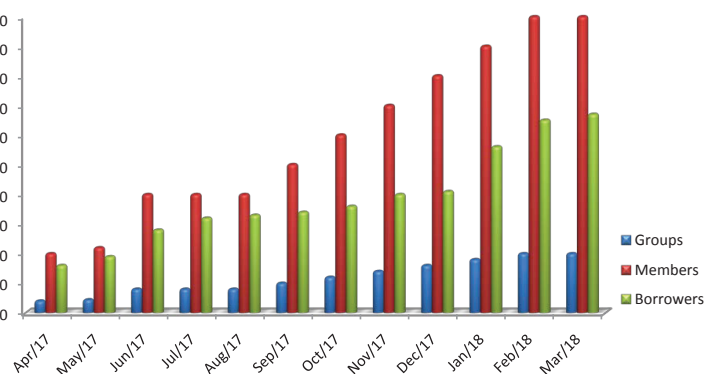
Monthly wise loan disbursement graph



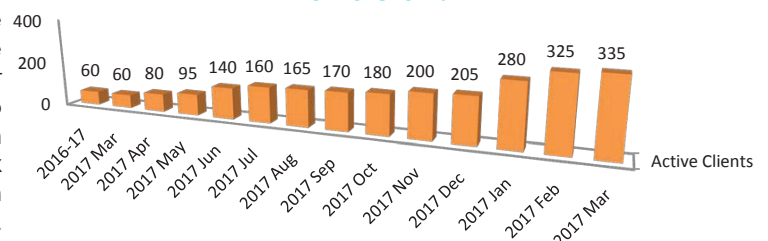
Cumulative loans and outstanding (monthly)



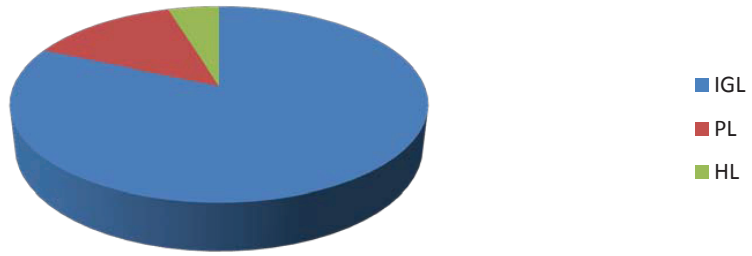
Active Groups, members and borrowers scenario



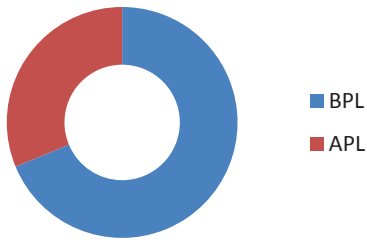
Active Clients



GRAPHICAL REPRESENTATION OF FINANCIAL PERFORMANCE 2017-18

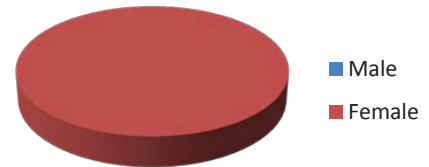


Poverty Profile of the Clients

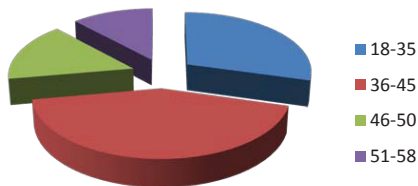


Productwise loan disbursement

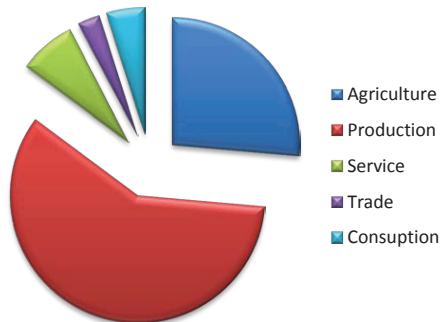
Gender Wise Coverage of Clients



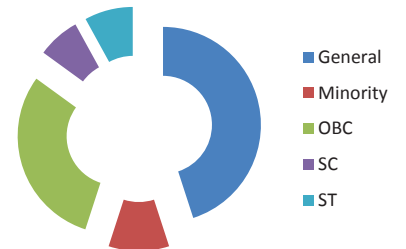
Age wise coverage in Percentage



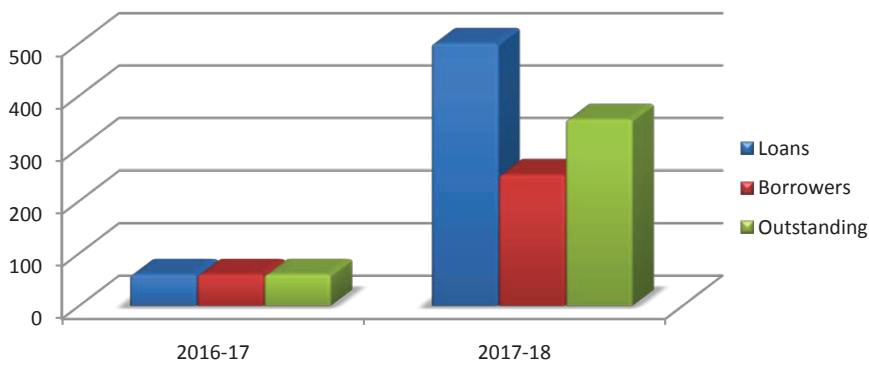
Portfolio Distribution By Clients



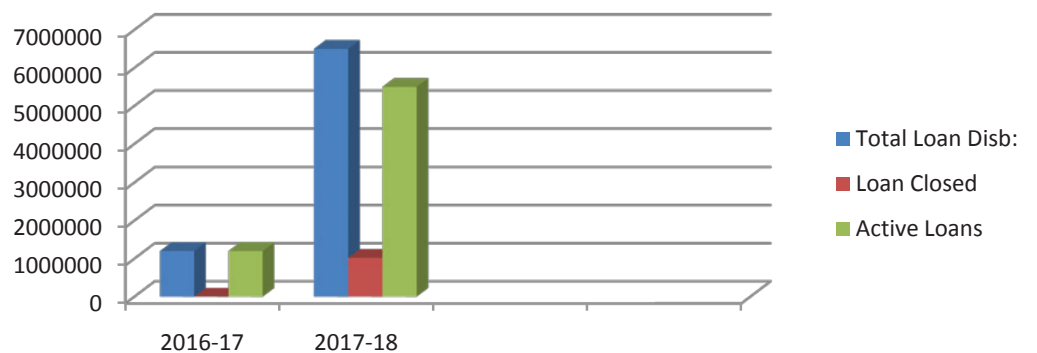
Cast wise coverage in Percentage



Graph of Loan Disbursement and Outstanding 2017-18



Loan Portfolio Details



FINANCIAL PERFORMANCE 2017-18

AUDIT REPORT

We have audited the attached Balance Sheet of the Max United Foundation, Kothamangalam and the Profit & Loss Account of the said organization for the Period ended on 31/03/2018 annexed thereto. These financial statements are the responsibility of the organization. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by organization, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In the case of the balance Sheet, of the state of affairs of Max United Foundation, Kothamangalam As at 31/03/2018
- b) In the case of the Profit & Loss Account, of the Excess of Income over Expenditure for the year ended on that date.

Sd/-

NOBLE GEORGE, B.Com, ACA, DISA (ICA)
Chartered Accountant
Membership No: 214117

Place: Kothamangalam
Date:08/06/2018

MAX UNITED FOUNDATION
Balance Sheet as at March 2018 ,31

Particulars

March 31,2018(Rs)

I. Liabilities

Capital Account	
Capital	25,95,233.00
Net Profit	23,156.45
	26,18,389.45
Current Liabilities & Provisions	
Director's Account	4,43,750.00
Loan From Directors	5,00,000.00
Loans from friends & Families	7,00,000.00
TOTAL	42,62,139.45

II. Assets

Fixed Assets (At cost)	
Furniture & Fittings	3,99,296.70
Office Equipments	10,173.90
Software	55,000.00
Electrical fittings	73,076.85
Computer & Accessories	46,620.00
	5,84,167.45
Deposit & Advance	
Rent Advance	1,00,000.00
Water Security	300.00
	1,00,0300.00
Loans & Advances	
Microfinance Loan	28,07,041.00
Interest Receivable	5,14,909.00
Staff Advance	1,30,730.00
	34,52,680.00
Cash & Bank Balances	
Cash in Hand	00.00
Vijaya Bank	957.80
Bank of Baroda	1,17,651.20
South Indian Bank	6,382.96
	1,24,991.96
TOTAL	42,62,139.45

Sd/-

NOBLE GEORGE, B.Com, ACA, DISA (ICA)
Chartered Accountant
Membership No: 214117
Place: Kothamangalam
Date: 08/06/2018

MAX UNITED FOUNDATION

Statement of Profit and Loss for the Year Ended March 2018

Particulars	Year ended March 31,2018(Rs)
I. Income	
Service Charge	53,000.00
Security Scheme	53,000.00
Annual Fees	26,250.00
Interest Received	8,81,250.00
Bank Interest Received	4,259.00
II. Expenses	
Printing and Stationary	31,685.00
Staff Salary	6,13,466.00
Consulting Fee	12,000.00
Water and Electricity Charges	10,279.00
Telephone Charges	10,279.00
Repair & Maintenance	15,600.00
Travelling Allowances	12,269.00
Travelling Expense	4,330.00
Miscellaneous Expenses	20.00
Anniversaries & Celebrations	6,675.00
Duties & Legal's	1,660.00
Bank Charges	15,291.00
Training Programmes	4,194.00
Office Rent	1,15,830.00
Telephone Allowance	159.00
Conference Meeting	2,918.00
Charity Fund	181.00
Audit Fees	8,000.00
Environment Day Celebration	1,379.00
Fuel Charges	1,000.00
House Keeping & Cleaning	2,750.00
Staff Welfare	3,445.00
Staff Incentive	1,038.00
Staff Insurance	8,560.00
Labour Charges	8,300.00
Other Expense	1,950.61
Depreciation	1,01,343.55
Profit of the Year	23,156.45

Sd/-

NOBLE GEORGE, B.Com, ACA, DISA (ICA)
Chartered Accountant
Membership No: 214117
Place: Kothamangalam
Date: 08/06/2018

MAX UNITED FOUNDATION

Cash Flow Statement for the Year Ended March 31, 2018

I. Cash In Flow

Particulars **31 March, 2018 (Rs)**

Opening Balances	
Cash in Hand	1503.00
Cash at Bank	
Vijaya Bank	19,374.00
Bank of Baroda	10,000.00
Cash Flow from Operating Activities	
Service Charge	53,000.00
Security Scheme	53,000.00
Annual Fees	26,250.00
Interest Received	4,259.00
Director's Account	4,43,750.00
Loans from Director's	5,00,000.00
Loans from Friends and Family	6,15,000.00
Repayments	42,27,300.00
Capital Addition	12,00,000.00
TOTAL	71,53,436.00
Cash Out Flow	
Printing and Stationary	31,685.00
Staff Salary	6,47,066.00
Consulting Fee	12,000.00
Water and Electricity Charges	10,279.00
Telephone Charges	10,279.00
Repair & Maintenance	15,600.00
Travelling Allowances	12,269.00
Travelling Expense	4,330.00
Miscellaneous Expenses	20.00
Anniversaries & Celebrations	6,675.00
Duties & Legal's	1,660.00
Bank Charges	15,291.00
Training Programmes	4,194.00
Office Rent	1,41,130.00
Telephone Allowance	159.00
Conference Meeting	2,918.00
Charity Fund	181.00
Audit Fees	8,000.00
Environment Day Celebration	1,379.00
Fuel Charges	1,000.00
House Keeping & Cleaning	2,750.00
Staff Welfare	3,445.00
Staff Incentive	1,038.00
Staff Insurance	8,560.00
Labour Charges	8,300.00
Furniture & Fittings	4,25,313.00
Computer & Accessories	62,095.00
Software & Maintenance	75,000.00
Electrical Fittings	79,002.00
Personal Loan	7,25,000.00
Housing Loan	2,50,000.00
Income Generation Loan	43,25,000.00
Bank Charges	15,291.39
Other Expense	1,950.61
Staff Advance	1,30,730.00
Closing Balance	
Cash in Hand	00.00
Cash at Bank	1,24,991.96
TOTAL	71,53,436.00

Sd/-

NOBLE GEORGE, B.Com, ACA, DISA (ICA)

Chartered Accountant

Membership No: 214117

Place: Kothamangalam

Date:08/06/2018

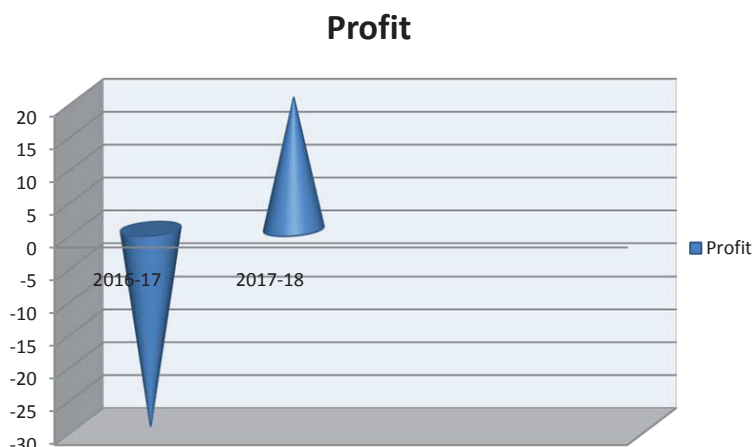
NOTE ON ACCOUNTS

Profitability

PBT for FY 2017-18 of the organization is Rs 23,156.45. The organization's PBT for FY 16-17 was shown as minus figure and the amount is INR - 28456, whereas in current year PBT has increased positively. It's a clear indication of a positive growth of the organisation. This slow growth in PBT was due to demonefization impacting fund mobilization, loan disbursement and also because of expense on interest paid for raising debts. Usually one NGO/MFI become viable only at the end of third year, but MAX UNITED seems to become a viable organization since the current financial year, which shows its positive growth and viability.

Income from Financial services

The organization was earned net income of Rs. 1.68 Lakhs in the FY 2016-17 and the Trust has earned 10.18 lacs income during the current financial year.



ORGANIZATIONAL PROFILE AT A GLANCE AS ON 31st MARCH 2018

No	Particulars	2016-17	2017-18
		Amount / Nos	
1	Total Operational States	01	01
2	Total Operational District	01	01
3	Total Operational Blocks	01	03
4	Total Operational Panchayath	03	10
5	Total Branches	01	01
6	Total Staff	04	09
7	Total Groups	24	120
8	Total Members	120	600
9	Total Borrowers	60	335
10	Total Loan Disbursed Nos	60	335
11	Total Loan Amount Disbursed	12,00,000	65,00,000
12	No of Loan Closed	0	72
13	Loan Amount Closed	0	14,40,000
14	Active Loan Amount	12,00,000	50,60,000
15	Active Borrowers	60	231
16	No of Active Loans	60	263
17	Opening Loan Outstanding	0	12,00,000
18	Closing Loan Outstanding	12,00,000	33,17,950
19	% of Over Due	0 %	0%
20	% of Repayment	100 %	100%

* as on 31-03-2018

CONCLUSION

2017-18 was almost a growing year for MAX UNITED Foundation and we have marked remarkable achievements in the organization's history in all aspects. Now we have 120 groups, 600 members, 335 Borrowers, 65 Lakhs loan disbursement and 33.17 lakhs loan outstanding. This may be a small portfolio for others but, as an infant organization this is a big achievement for us. This year, we have 5.42 times growth over the previous year; it is great motivation and fillip for us to go ahead in the future days.

In order to increase our outreach and sustainability, we initiated preliminary survey at Muvattupuzha, Perumbavoor Thodupuzha, Adimaly, Chalakudy to open new branches for 2018-19. MAX has decided to start 3 branches in next phase in Idukki and Thrissur Districts. Apart from the Board of Directors, Advisors we have 09 staff members and they are the lamp and light of the institution.

As part of achieving our objectives, we have conducted certain social development programmes and trainings besides microfinance activities last year, for the people who joined with us as JLG members. We use this time to express our great thanks to the GOD almighty as well as the supporting banks, financial institutions, government bodies, political leaders, well-wishers, staffs, family members and our own group members for giving us great support that make us to move forward.

With regards



Jose A. Kuriakose
Chairman



Anish John K.
Managing Director

Date : 30/06/2018
Place: Kothamangalam

PHOTO GALLERY





Reg. No: II/IV/2017

Regd. Office

XXVI/410 H, 1st Floor, Pulinattu Properties, Near IDBI Bank, Thankalam, Kothamangalam
Ernakulam (Dist.), Kerala - 686691. **Phone:** +91 8330 828285, +91 485 2828285,

Web: www.maxunited.co **E-Mail:** maxunitedfoundation@gmail.com

An Organization for Integrated Development