

QUARTERLY NEWSLETTER

APRIL - JUNE 2019

Message from the Managing Director & CEO

Dear Stakeholders,

NBFC industry has been struggling with liquidity crisis since last several months. A few of the large NBFCs were not able to manage their ALM as expected, resulting into larger mismatch and taking the sector into a crisis mode. CA Grameen being an NBFC-MFI, has its own characteristics in terms of liquidity management and did not face any liquidity related difficulty at any point of time, thanks to our ever supporting lenders base. We have been very cautious about liability mix since last several years with very positive ALM mismatch, and well diversified liability mix has helped us to manage our cashflow better. Thanks to our long-term funding from Financial Institutions and substantial funding from international lenders has further consolidated our position. We continue to strengthen our liability mix to ensure a strong and positive ALM to support our business, which is very essential all the time. I would like to extend my gratitude to all our lenders, who have been an immense support in our growth trajectory.

First Quarter of FY 2019-20 result is already out with expected outcome and I believe in consistent delivery in terms of growth, controls and financial results and my team is always with me in this journey.

- Mr Udaya Kumar Hebbar

Strategy & Innovation Workshop

We conducted a "Strategy & Innovation Workshop" on 16th and 17th of April 2019. The overall theme of the workshop was "Let's Learn, Let's Decide, Let's Act". The workshop was attended by all the management team at CreditAccess Grameen, 3 of the board members and a few external experts from the sector. There was intense brainstorming across various key topics of latest trends in the segment, ecosystem changes, evolving customer needs, new business models and delivery models that could potentially impact our segment and customers. We also had an insightful presentation on Artificial Intelligence and how could it impact the future ecosystem from one of the experts. The deliberations later were translated to key focus areas which then would be distilled to initiatives or projects to be explored by Strategy, Innovation or other functional teams.

Financial Result for the First Quarter of the FY 2019-20 (INR Crore)

Particulars	Q1 FY 20	Q1 FY 19	Shift%
Total Income	376.7	286.1	31.7% ↑
Net Interest Income	246.9	186.6	32.4% ↑
Profit Before Tax	148.1	112.4	31.8% ↑
Profit After Tax	95.8	72.2	32.7% ↑
Cost to Income	35.4%	33.1%	

Growth and Expansion

Particulars	Q1 FY 20	Q1 FY 19	Growth%
Gross AUM	7,619.5	5,467.9	39.4% ↑
No. of Borrowers (in Lakhs)	25.6	19.4	32.1% ↑
Number of Branches	753	573	31.4% ↑
Number of Employees	8,641	6,575	31.4% ↑

CA Grameen organises Yoga Workshop to celebrate International Yoga Day 2019

CA Grameen organised a 'Yoga Workshop' on 21st June 2019 to mark the celebration of International Yoga Day 2019 at the Head Office. The workshop was conducted by Mr Lokesh, an employee with CA Grameen. In 2015, the United Nations General Assembly unanimously declared June 21 as the International Day of Yoga.



CA Grameen organises Blood Donation Camp

CA Grameen organized a Blood Donation Camp on the occasion of foundation day on 31st May 2019 at its corporate office at Bangalore. The Blood Donation Camp was arranged in association with Rotary TTK Blood Bank. Medical Team of Doctors and Paramedical staff from Bangalore Medical Services Trust managed the blood donation camp. 50 employees participated in this noble cause. The camp was held under the guidance and active participation of Human Resource and Administration Department of CA Grameen.



20th Foundation Day Celebration

On 31st May 2019, CA Grameen celebrated its 20th foundation day with enthusiasm, fun and frolic. Head Office employees got together and put up entertaining acts, cultural programs and musicals. Mr Udaya Kumar, MD and CEO along with the top management team graced the occasion and took part in the celebrations. The company also felicitated 68 employees who completed 10 years of service with CA Grameen on this occasion.



IRDAI appointed Mr Udaya Kumar Hebbar a member of the committee for micro-insurance

Insurance Regulatory Authority of India (IRDA) has set up a 13 members committee to review the existing regulatory framework on Microinsurance in India to suggest improvements in the Indian framework. Mr Udaya Kumar Hebbar, Managing Director and CEO has been appointed as one of the members of this committee.

The committee will recommend/suggest on how to increase Microinsurance penetration, product designs with customer friendly underwriting, changes required in the distribution structure including mobile based and technology driven solutions and a framework for creating effective awareness programmes.

Visits



Noel Quinn, Group Managing Director and Chief Executive of HSBC's Global Commercial Banking visited CA Grameen's headquarter on 6th June 2019.



Dr Aruna Sharma, MFIN Board Member visited CA Grameen's headquarter and interacted with the management team. Later she attended a customer meeting and visited a branch office.

CASE STUDY

How Sanjana Ram Chandra Rao Emerged Victorious in the Face of Adversity?

Sanjana Ram Chandra Rao used to help her father run the ironing shop that had been there with the family since generations. Incidentally, she had to work after marriage since her husband had a meagre job at a garage and the income was insufficient to run a household.

She decided to get back to what she did best, which was to run an ironing shop. Her husband motivated her immensely in this decision and journey. Her father passed away in the meantime and she had three siblings and with little to no income, her mother was having a tough time managing the family. She had to support her mother as well.

To have her own shop, she needed support. She contacted CA Grameen to take a loan to buy what she required to run the shop in a hassle-free and efficient manner.

She joined the group and an income generation loan of Rs 15,000 was granted. She used Rs. 15,000 out of it to buy an iron box and the rest of the money was spent on used furniture.

She is happy with how everything turned out in her favour. The business is doing well. Her income has increased manifolds, and she hopes to continue to enjoy the bliss.



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