

QUARTERLY NEWSLETTER

JULY - SEPTEMBER 2019

Message from the Managing Director & CEO

I am pleased to share with you the October 2019 edition of our quarterly newsletter.

Monsoon rains triggered flooding in several parts of Karnataka, Maharashtra and Madhya Pradesh impacting the day to day lives of our customers. I commend the efforts of our staff in undertaking major relief activities in the affected areas. Our customers have once again demonstrated resilience in managing this tough situation and making efforts to bring back their life to normalcy.

This quarter, the Company has expanded its footprint in five new states - Gujarat, Rajasthan, Uttar Pradesh, Bihar and Jharkhand. Post this expansion, the Company's business operations have expanded to 887 branches with 9,817 employees, spread across 210 districts in 13 states & 1 union territory. Our pan India presence will help us to realise our mission to become a preferred business partner of one crore low-income households lacking access to credit, by the year 2025.

We continue to recruit employees from deep rural across geography to support the growth of CAGL. In this aspect, to enable our field managers to think about their individual strengths and channel it to build and guide a strong team, we held collaborative leadership program for mid-level field managers across the organisation. The training will be instrumental in developing a strong field force that will stay relevant to our organisation culture and shall service our customers with empathy.

I am also pleased to share that CreditAccess Grameen has been adjudged winner in the Best NBFC category at one of India's most prestigious financial sector awards — FE Best Banks awards 2017-18. Company has also been awarded with 'Water.org and Sa-dhan Awards' for water and Sanitation Credit Financing - 2019 under 'Large NBFC-MFI category'. This was to recognize our outstanding contribution for Water and Sanitation lending during FY 2018-19.

As we celebrate the festival of lights, I wish you and your family a very happy Deepavali.

I hope you enjoy reading this issue. Please feel free to let me know any thoughts or feedback you may have.

- Mr Udaya Kumar Hebbar

CreditAccess Grameen adjudged as Winner in the Best NBFC category

CreditAccess Grameen has been adjudged as the winner in the Best NBFC category at one of India's most prestigious financial sector awards - FE Best Banks awards 2017-18. Mr. Udaya Kumar Hebbar, MD & CEO, CreditAccess Grameen, and Mr. Diwakar BR, Director-Finance & CFO, CreditAccess Grameen received the award from Smt. Nirmala Sitharaman, Minister of Finance & Corporate Affairs.

The winners were chosen by a high-powered jury chaired by S Ramadorai, former Chairman, Tata Consultancy Services (TCS), and a team comprising R. Sankar Raman, director & CFO, Larsen & Toubro, Leo Puri, former managing director, UTI Asset Management, Biswamohan Mahapatra, former executive director, Reserve Bank of India, and Sharad Sharma, founder, Ispirt.



Financial Result for the Second Quarter & Six months Ended September 30, 2019

(INR Crore)

Q2 FY 20	Q2 FY 19	Shift%	Particulars	6M FY20	6M FY19	Shift%
392.6	310.1	26.6% ↑	Total Income	769.3	596.1	29.1% ↑
251.0	198.8	26.3% ↑	Net Interest Income	498.0	385.4	29.2% ↑
127.0	114.1	11.4% ↑	Profit Before Tax	275.2	226.4	21.5% ↑
100.9	73.5	37.3% ↑	Profit After Tax	196.7	145.7	35.0% ↑
39.8%	35.7%		Cost to Income	37.6%	34.4%	

Growth and Expansion

Particulars	Q2 FY 20	Q2 FY 19	Growth%
Gross AUM	7,905	5,794	36.4% ↑
No. of Borrowers (in Lakhs)	26.4	20.8	27.1% ↑
Number of Branches	887	656	35.2% ↑
Number of Employees	9,817	7,355	33.5% ↑

Social Awareness Campaign organized for customers

In this quarter, 91 Social Awareness Campaigns were held benefitting around 25,000 customers across the states of Karnataka, Madhya Pradesh, Maharashtra, and Tamil Nadu. These campaigns were addressed by a host of local government officials, district health officers, and leaders.

ICSI invited CA Grameen's MD & CEO as a Guest of Honour

The Institute of Company Secretaries of India had invited Mr. Udaya Kumar Hebbar, MD & CEO, as the Guest of Honour for the 20th National Conference of Practising Company Secretaries. This event was organized on the 5th and 6th of July 2019 at Bengaluru, Karnataka.



CA Grameen Limited awarded with 'Water.org and Sa-dhan Awards' for water and Sanitation Credit Financing

The Company has achieved yet another milestone. CreditAccess Grameen Limited awarded with 'Water.org and Sa-dhan Awards' for water and Sanitation Credit Financing – 2019 under 'Large NBFC-MFI category'. The recognition was provided by recognizing the outstanding contribution for Water and Sanitation lending during FY 2018-19. The event was held on 16th September 2019, at the Sa-Dhan National Conference 2019, at India Habitat Centre, New Delhi. On behalf of all CreditAccess Grameen`s employees and the Board members, Mr. Gururaj Rao, Chief Audit Officer, Mr. Sundar Arumugam, Head-New Business and Innovation and Mr. Gopal Reddy, VP-Operations received the award.



CA Grameen sponsored a charity based musical show

HeartBeats Music Studio organized "Jaadu Teri Nazar - a charity based musical show in aid of Building Blocks - Schools for the underprivileged. CreditAccess Grameen was one of the sponsors of this event. All proceeds from the show went to charity.

At this event, the singers performed chartbuster numbers of Padmashree Udit Narayan. The show was conducted on Sunday, September 8, 2019, at Bharatiya Vidya Bhavan Auditorium Race Course Road, Bangalore.



The Company has conducted 5 Collaborative Leadership Programs in various part of the country, attended by 140 area managers.

CASE STUDY

Deepanjali's determination to rise

Deepanjali, a customer of CreditAccess Grameen and her husband Lokesh, hails from Tumkur, who tread the path of success through hard work.

Working in a factory under tough conditions had never been easy for Deepanjali, especially when it started taking a toll on her health. It was during this period that her husband, Lokesh advised her to quit her job and try something on their own.

Deepanjali joined the Microfinance Group. Aided by the support of CA Grameen and her husband, they borrowed a loan of Rs 25,000/- to set up their own small Kirana and Tea shop. On hearing about the individual loans, they approached CA Grameen and availed a loan of Rs 1,00,000/-. A part of this was used to enhance stock supplies and for the expansion of their shop, while the other portion of the loan was invested in the packaging business of camphor and incense sticks. "We are happy as we are making profits from our store and

our dairy business. Because of this, we also have some savings in the bank," says Lokesh.

With Deepanjali's determination and with the help of Credit Access Grameen, they look forward to open a small factory in the future.



Services offered under the brand of:



Micro Finance



Retail Finance

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