

QUARTERLY NEWSLETTER – Q2 JULY-SEPTEMBER 2021

Message from Managing Director & CEO

The significant signs of rebound in the rural economy gives me confidence of witnessing back to normal growth trajectory in the coming quarters. India has achieved a historical mark of administering 100 crore vaccines to its citizens which has helped to battle the covid challenges disrupting the economic cycle. This coupled with country recording rainfall in the normal or above normal category for consecutive third year provides cushion to the agriculture sector which has recorded highest growth in the new business registration.

CreditAccess Grameen has held to its mission to support the rural economy across length and breadth of the country by disbursing INR 3,890 crore in the second quarter of the financial year, contributing to the rural capital creation story. As a part of our geographical diversification strategy, we are rapidly expanding in the newer states of Uttar Pradesh, Bihar, Jharkhand, Rajasthan and Gujarat leading to a total branch network of 1,545 at the end of September 2021. On a standalone basis, our collection efficiency has touched 99% levels including arrears from non-repaying clients indicating back to normalcy.

The process integration at Madura Microfinance has been completed including system integration & aligning the provisioning policy of recognizing non-performing assets at 60 days. The customers are now being on-boarded at CA Grameen system helping them to offer our bouquet of products and services.

I express my heartfelt gratitude and sincere thanks to our employees for continuous support throughout our business journey. We have successfully navigated through one of the most turbulent times caused by Covid pandemic. I am truly grateful for their strong commitment and belief in our company, which has earned us the recognition amongst the best workplaces and industry leaders. With the effects of pandemic gradually subsiding, it gives us enough headspace to work towards our vision 2025 in an uninterrupted manner.

- Udaya Kumar Hebbar

CXO Box: Candid Conversations

“Customer centric products, people first approach is the key to our success”:
Mr. Ganesh Narayanan, Dy. CEO & CBO, CA Grameen

Read the excerpts from the interview



A) What do you think is the key to CA Grameen's success?

Customer centric products, people first approach, experienced & focused management team and rigorous reinforcement of processes is the key to our success in the microfinance space. We continue to invest significant time and resources in all these aspects.

B) Where do you see CA Grameen over the next five years?

In line with our vision, we are working towards becoming the preferred financial partner for the underserved households in India. In five years, we envisage ourselves to be able to offer a plethora of financial solutions covering both credit and non-credit products that suit our customers' needs and aspirations while growing substantially in our core business.

C) CA Grameen is known for lower attrition compared to industry. How did we achieve this?

CA Grameen has a clear roadmap for employees in each workstream and has repeatedly demonstrated its capability in identifying talent and nurturing them to take larger responsibilities. It is overwhelming to see that a significant portion of our field seniors have risen from being Kendra Managers and many of them manage very large portfolios today. We have a clear value system which is imbibed across various levels promoting ownership and

empowerment.

Clubbed with this, we have robust employee benefits that have been designed based on understanding our people, their needs, and aspirations. Many of these are unique in the MFI space and are well appreciated by our employees. I strongly believe that these are the reasons that have helped us achieve lower attrition.

Brief Synopsis of our Financial Results for the Second Quarter FY 2021-22

Particulars	Q2 FY 22	Q2 FY 21	% Change
Total Income	618.6	577.0	7.2% ↑
NII	368.9	330.9	11.5% ↑
PPOP	218.7	196.9	11.1% ↑
PAT	59.7	79.2	-25.0% ↓

Growth and Expansion

Particulars	Q2 FY 22	Q2 FY 21	% Change
Gross AUM (Cr)	13,333	11,183	19.2% ↑
No. of Borrowers*	37,51,000	38,81,000	-3.3% ↓
No. of Branches	1,545	1,388	11.3% ↑
No. of Employees	15,308	14,454	5.9% ↑

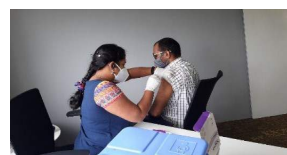
*3.29 lakh clients have been written-off during trailing 12 months

“Head Office Alignment with Field Operations” – Learning Program for new joiners



In September 2021, CA Grameen conducted an orientation session - “Head Office Alignment with Field Operations Program” for its new joiners. The objective of the program was to provide an experiential learning to the new recruits on how the field operations are carried out at the organization. The session also provided a platform for an interactive discussion between the Field and Head Office staff, during which the employees learnt about each other's work and contributions.

COVID-19 - Vaccination Drive at Head Office



CA Grameen facilitated the second COVID-19 vaccination drive on September 8, 2021, for its employees and their families at its Head Office. The event was organized in collaboration with Bruhat Bengaluru Mahanagara Palike (BBMP) where over 160 beneficiaries were vaccinated.

Mr. Udaya Kumar Hebbar - India's Top 50 Best Leaders in Times of Crisis 2021

Mr. Udaya Kumar Hebbar, Managing Director & CEO, CA Grameen Limited, has been recognized by Great Place to Work® India as one of India's Top 50 Best Leaders in Times of Crisis 2021, in the large employers' category! He was awarded for demonstrating exemplary leadership and sustaining a High-Trust High-Performance Culture™ in the organisation during the COVID-19 pandemic.

Induction Program at Leadership Training Centre



On 14 September 2021, CA Grameen facilitated an induction program for its new employees at its in-house training centre. The objective of the program was to ensure a smooth transition of the new recruits into the company and their job roles. During the program, employees

learnt about the genesis of the company, its journey from humble beginnings to currently being India's largest NBFC-MFI, and its business model. Further, an ice-breaker activity was organized for employees and they were divided into teams. The objective of the activity was to foster team spirit, help the employees get to know each other, and facilitate a collaborative environment.

COVID-19 Relief Efforts

Gratitude to India's Frontline COVID Warriors



The COVID-19 pandemic has upended human lives at a global level. In these trying times, our COVID warriors have put their own lives at risk with selfless determination to ensure our safety. CA Grameen salutes the bravery and commitment of India's frontline COVID

warriors. To do its bit towards helping them, the company has extended its support through various initiatives.

Activities	Q2 - No. of Kits	Cumulative No. of Kits	Q2- No. of Beneficiaries	Cumulative No. of Beneficiaries
Health Kits (Sanitizers, Masks)	15,956	43,564	2,04,984	9,76,343
Groceries Kits	3,377	15,124	3,377	14,087
PPE Kits and Work Equipment	1,037	1,338	1,393	2,708
Total	20,370	60,026	2,09,754	9,93,138

(As of September 30, 2021)

Relief Drive for Customers Affected by Cyclones

In July 2021, incessant rains lashed several parts of North Karnataka, Bihar, and Maharashtra, causing devastating floods. It wreaked havoc, causing severe fatalities and damage to life and livelihoods. During this crisis, the company extended help to its customers in the cyclone-affected areas by distributing grocery kits and other relief items to around 8,488 beneficiaries.



Grameen Pay AePS – Customer Life Made Easier!



Mrs. Lakshamma, 36 years, is a resident of Marigowdanadoddi in Karnataka. She runs a sericulture and dairy business. She has been a CA Grameen customer for 8 years now. Earlier, Lakshamma would withdraw cash from her bank branch to meet her needs. The bank branch is situated far away from her house, and she would spend Rs 15-20 for the travel. Adding to these problems, the public transport facility in her village was very irregular. It was very difficult for her and many others from her village to even perform basic banking transaction like cash withdrawal.

Now, with the introduction of Grameen Pay AePS by the company, Lakshamma has been able to withdraw cash easily from her bank account at the Kendra meeting with just her Aadhar card, mobile number, customer ID, bank name, and fingerprint authentication. Speaking about the Grameen Pay AePS service, she says, "It enables me to withdraw cash easily from my account without having to visit my bank branch. I need not wait in queues for long periods and it has saved my time. Till now, I have withdrawn around Rs 12,000 for my household expenses." Lakshamma is happy that the Grameen Pay AePS service has no processing fee attached with it and is available free of cost to the customers. Lakshamma has been a regular user of this service and withdraws money every 15 days. She shares that, Grameen Pay AePS service has been a boon to her and many other customers, especially benefitting the senior citizens. She further adds, "The Kendra Manager explains about the process and generates a mini balance statement of my account first. This mini-balance statement enables me to know about the available balance in my account before withdrawing the cash. It also reminds me to spend my money carefully especially, during crises like the pandemic. After a successful transaction, I also receive an acknowledgement receipt, which is very assuring. The process runs smoothly and I haven't faced any issues".

In addition to Grameen Pay AePS service, Lakshamma has also availed home repair and improvement loans, education loans, emergency loans, and festival loans from the company. Thanking the company, she says "The services and loans offered by CA Grameen have been very beneficial to all the customers. It has greatly aided in improving our lifestyle."

Our Financial Products



W: www.creditaccessgrameen.in
E: communications@cagrameen.in