

QUARTERLY NEWSLETTER

January-March 2020

Message from the Managing Director & CEO

Covid-19: We shall overcome together

We are all in a time of unprecedented crisis with the worldwide pandemic of Covid-19, and it is important to remember our social value and role, and not to lose focus on our clients and the communities we serve in the midst of this moment. In this difficult time, we stand with our 3 mn women borrowers who have always shown their resilience and spirit of entrepreneurship. We stand with our employees who always challenged the challenges and came out with flying colours in every such crisis.

We also must take this as an opportunity to deal with the crisis and look at new possibilities to make our business model more resilient as all of us are learning how to navigate an entirely new environment. We are taking this moment to act quickly and at the same time reflect on what has worked for us and what needs to change so that we can build a more resilient organization that can quickly adapt to the changing needs.

I would like to take you through the exemplary work we have been involved and key milestones we have achieved in this financial year of 2019-20:-

- We are now the largest NBFC-MFI in India.
- We have expanded our reach to Northern India and now operate in Jharkhand, Bihar, Uttar Pradesh, Rajasthan, and Gujarat.
- We have added 259 new branches in this year – biggest new branch additions ever in a financial year in our history.
- Our team has crossed 10000 employees.
- Reached out to over 29 lakh borrowers and our portfolio has seen a whopping 9900 Cr.
- Initiated the merger of Madura Micro Finance which is a great impetus for our growth.
- We have been certified as "Great Place to Work" and ranked among the top 25 list in India's best workplaces in the BFSI industry in 2020.
- Received many prestigious awards including Best NBFC at FE Best Banks awards, Micro Finance Organization of the Year Award 2019, CNBC-AWAAZ CEO Awards 2019 and 'Water.org and Sa-dhan Awards' for water and Sanitation Credit Financing.

A big thank you to the entire team at CreditAccess Grameen, our employees, customers, investors, shareholders, and all our well-wishers. We as usual are ready to tide over this challenge as well and reiterate our utmost responsibility towards our customers, employees, and community and the environment where we operate. So, at this stage let us all stay safe and take good care of our health. We shall overcome this situation as ONE family, the CA Grameen Family.

- Udaya Kumar Hebbar

CreditAccess Grameen wins CNBC-AWAAZ CEO Awards 2019



CreditAccess Grameen has been awarded as the "Outstanding contribution to Rural Entrepreneurship and Empowerment" at the second edition of CNBC-AWAAZ CEO Awards. The award was given away by Mr Bhupesh Baghel, the Chief Minister of Chhattisgarh and was received by Mr Udaya Kumar Hebbar, MD & CEO and Mr Gopal Reddy, Business Head- Group Lending (Maharashtra, Madhya Pradesh and Chhattisgarh), on behalf of the Company on February 7, 2020 at a function held at Raipur. This award is constituted by CNBC-AWAAZ, a Hindi business news channel, in association with the Government of Chhattisgarh to celebrate the spirit of entrepreneurship and recognise the achievements and contributions of corporate leaders and companies.

Social & Health Awareness Campaigns

In this quarter, 53 Social Awareness Campaigns (SACs) were held and attended by approx. 15,000 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 local leaders. We have conducted five Health Awareness Campaigns (HACs) in partnership with Narayana Health. 1100 customers at our Tumkur branch across 118 Kendra's have been screened for Hypertension, Diabetes, Anaemia, BMI, and Oral Cancer. These customers also underwent breast cancer screening by Niramai. SAC and HAC programs are implemented by our CSR partner, Navya Disha.

Financial Results for the Fourth Quarter & FY 2019-20

(INR Crore)

Q4 FY 20	Q4 FY 19	Shift%	Particulars	FY 20	FY 19	Shift%
461.0	336.4	37.0% ↑	Total Income	1,684.4	1,283.3	31.3% ↑
286.7	227.2	26.2% ↑	Net Interest Income	1,085.9	847.6	28.1% ↑
29.8*	117.6	-74.6% ↓	Profit Before Tax	450.9*	497.7	-9.4% ↓
22.8*	76.3	-70.1% ↓	Profit After Tax	327.5*	321.8	1.8% ↑
36.7%	35.2%		Cost to Income	36.6%	33.9%	

*PAT reduced due to the merger expenses of INR 15.2 Cr and COVID-19 related proactive provisioning of INR 82.9 Cr.

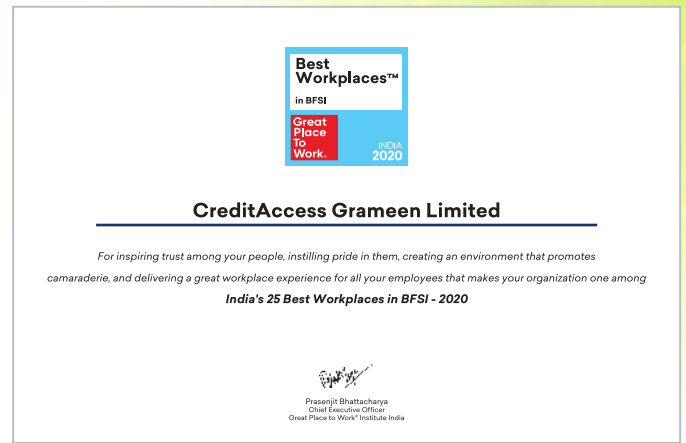
Growth and Expansion

Particulars	FY 20	FY 19	Growth%
Gross AUM	9,896	7,159	38.2% ↑
No. of Borrowers (in Lakhs)	29.05	24.70	17.6% ↑
Number of Branches	929	670	38.7% ↑
Number of Employees	10,824	8,064	34.2% ↑

GPW Certified and ranked among India's Best Workplaces in BFSI 2020

It is with great delight that we announce that CreditAccess Grameen is GREAT PLACES TO WORK-CERTIFIED®. It has also been ranked among 'India's Best Workplaces in BFSI 2020'-Top 25. This year, 83 organizations in the BFSI sector undertook this assessment. Based on a rigorous evaluation by GREAT PLACES TO WORK has identified the Top 25 organizations among India's Best Workplaces in BFSI 2020. According to the GPW, "these organizations excel both on people practices that they have designed for their employees and the feedback on creating a High Trust Culture from their employees."

Mr Udaya Kumar, MD and CEO said, "since we started this business 20 years ago, we have grown stronger over time by means of developing a culture around employees and customers. Building a resilient and customer centric business will be easy through a strong employee centric culture." He further opined that "This certification is a strong reiteration of our culture and has enhanced our confidence in ourselves, and for our stakeholders, that we have



not diluted any of our core values and strengths as we grew to be a larger organisation to achieve greater heights."

Click here to find out what makes CreditAccess Grameen Limited a Great Workplace. https://lnkd.in/fpN_tzk



A group of students from ESADE Business School, Barcelona, had visited CreditAccess Grameen's HO on January 30th, 2020. They participated in an interactive session with Mr Udaya Kumar Hebbar and team.



Mr Udaya Kumar Hebbar, MD and CEO participated in a panel discussion on "Driving business and change in today's disruptive times" organised by Executive Access.

Impact Story

Rising above all odds through Microfinance

Anita Kachhi, 43 years, a resident of Panagar village, Jabalpur, Madhya Pradesh has been a customer of CreditAccess Grameen for the past two years now. This started as a hobby with sewing as a young girl, she soon learnt tailoring and embroidery. Like all young girls she got married at a young age and settled down in Panagar village with her husband. She has two children a boy and a girl. With a desire to improve the standard of living for both her and her family, Anita signed-up for a loan with CA Grameen.

Since receiving her loan, Anita bought her first sewing machine and her business has expanded significantly. She started off with some orders of stitching blouses she slowly started getting more orders of readymade garments and further orders from nearby garment factories.

"I started off with small orders from the neighbourhood for stitching blouses and embroidery, slowly local factories started giving me orders, that is how my business has grown." Anita says she is able to outsource some of the work to women in her village thus giving other women also a chance to dream.

"I am so happy now, I am able to contribute to my family finances, I don't have any worries and I have given my daughter also an opportunity to grow."

She is extremely thankful to the CA Grameen team for standing by her and encouraging her at every step. The micro finance programme has helped Anita Kachhi to build up confidence and prove herself as a woman entrepreneur. Her family especially her husband has been very supportive of her work and is very proud to share her story to others in the community. Her success story is an example for other women giving them real life stories of hope and encouragement.



Financial Products



Micro Finance



Retail Finance

W: www.creditaccessgrameen.com

E: communications@creditaccessgrameen.com