

QUARTERLY NEWSLETTER – Q1

APRIL-JUNE 2023

Message from MD & CEO

It is a proud moment for all Grameen family members as we have entered the 25th year of our operations, playing a critical role in advancing the financial inclusion agenda across the hinterlands. Our aim is to cross the INR 25,000 crore AUM mark in this 25th momentous year while in the coming 4-5 years our plan will be to see doubling our loan portfolio to over INR 50,000 crore. We have achieved many unprecedented feats and created notable benchmarks in our humble journey to date.

In the first quarter, we raised USD 200 million through the syndicated social loan facility, marking the first transaction in the microfinance industry and the fourth in India. USD 100 million was already drawn during the quarter. This has helped us to broaden our lender base to over 70 lenders with many banks from Taiwan/the Middle East taking maiden exposure to the Indian microfinance industry through this transaction and share of foreign borrowings increasing to 19%. Given the scale at which we have reached, it is crucial to keep strengthening our liability franchise which will help keep the growth engine well in place.

As a seal of trust, the Great Place to Work Institute has awarded us as the top 100 companies to work for in India signifying our excellent people practices. This comes in the background of us being recognised as Great Places to Work for the last 4 consecutive years. My sincere thanks to all our stakeholders including Board Members, Senior Management and dedicated and compassionate employees for their constructive support.

- **Udaya Kumar Hebbar**

Brief Synopsis of our Financial Results for the First Quarter Q1 FY 2023-24

Particulars (Cr)	Q1 FY 24	Q1 FY 23	% Change
Total Income	1,170.7	760.5	53.9% ↑
NII	763.3	461.5	65.4% ↑
PPOP	543.8	289.7	87.7% ↑
PAT	348.5	138.6	151.5% ↑

Growth and expansion

Particulars	Q1 FY 24	Q1 FY 23	% Change
Gross AUM (Cr)	21,814	15,615	39.7% ↑
No. of Borrowers	44.23 lakh	36.89 lakh	19.9% ↑
No. of Branches	1,826	1,681	8.6% ↑
No. of Employees	17,391	15,642	11.2% ↑

24th Foundation Day Celebrations



We celebrated our 24th Foundation Day on 31 May, 2023 across branches. Our employees got together to present some enthralling performances and enjoyed a gala time. As we embark on the 25th year of our business, we look forward to continued trust and support from all our stakeholders to further accelerate our mission of financial inclusion.



HR Head Interview:

Read the excerpts from the interview of **Mr. Manian RHS**, Head of Human Resources, CA Grameen.

Q1) What tools have you adopted to support the growth of employees and drive inclusive culture in the organisation?

We believe in the philosophy of giving our internal talent the first opportunity to take up larger responsibilities before looking for talent from the market. Our IJP program has helped us identify and nurture talent from within, fostering inclusivity and equal opportunity. Almost the entire leadership (middle management & above) is homegrown. This has not only taken care of the aspiration of our employees but also ensured uniform culture across the organization. We constantly invest in training and upskilling our employees, thus supporting their career progression. While CA Grameen is an equal opportunity employer and our policies and practices are designed to ensure this, we keep working on improving the same through internal reviews and with the help of external consultants.

Q2. What is the significance of the Great Place to Work recognition?

CA Grameen has always attached the highest level of importance to employee satisfaction, trust and engagement. Featuring in GPTW's 'Top 25 Best Workplaces in BFSI' for the 4th time in a row and 'Best 100 companies to work for' is a testament to the same. This recognition reflects our strong value framework and further signifies our commitment to providing a positive work environment for our employees. We are grateful to the leadership team and all our employees for building and maintaining great values.

Q3. How do you ensure that there is clear and consistent two-way communication in the organization?

We keep employees informed about important updates, initiatives and changes in the organization using language that is easily understood by all employees. This ensures uniform understanding and consistency in the message. We employ a mix of communication channels to achieve maximum reach. This includes open houses, digital mailers, newsletters, townhalls with the CEO and branch visits. We adopt multiple feedback tools like external/internal employee surveys, and 360-degree-feedback to enable open and transparent two-way communication where employees feel comfortable sharing their ideas and feedback. We also hold Focussed Group Discussions (FGDs) on a periodical basis to obtain feedback from employees across various workstreams across the country. Inputs from these discussions are further presented to the management for review.

Inked a Historic Syndicated Social Loan Facility of Up to USD 200 Million

In June 2023, the company entered into a historic syndicated social loan facility of up to USD 200 million, qualifying as ECB under the automatic route of the RBI. This marks the first social ECB loan in the Indian microfinance industry and the fourth from India. The social loan abided by the Social Loan



Framework which aligns with the Social Loan Principles 2023, stipulating the use of proceeds, social development goals and governance, according to the Loan Market Association. Sustainalytics

provided a second-party opinion on the Social Loan Framework, considering it credible and impactful. Standard Chartered Bank was the Social Loan Coordinator for this transaction along with being the sole Mandated Lead Arranger and sole Bookrunner.

Featured Among 'India's Top 25 Best Workplaces in BFSI' and 'India's 100 Best Companies to Work'

We were recognized amongst India's Top 25 Best Workplaces in BFSI sector and 100 Best Companies to Work for the year 2023 by the Great Place to Work (GPTW) Institute. According to GPTW's citations, the company has demonstrated responsible leadership and fostered employee wellbeing, earning recognition for its employee-centric and inclusive workplace culture.

Recognized as 'Best Tech of the Year (Robotics & AI)' in the NBFC category

We were recognized as the 'Best Tech of the Year (Robotics & AI)' under the NBFC category at the second edition of Quantic India's Technology Excellence Awards 2023. The honour celebrates our efforts in implementing innovative, scalable, and agile technologies in our operations to best serve our customers.

Investor and Analyst Meet 2023

The company hosted its maiden Investor and Analyst Meet on 18th May 2023, centred around the theme 'Building a Stronger, Scalable, and Sustainable Rural Financing Engine'. The senior management team led by Mr. Udaya Kumar Hebbar, MD & CEO, gave the attendees, over 200 investors and analysts an overview of the company's growth journey so far and depicted the strength of each department in

achieving the Rs.50,000 crore AUM mark in the coming four to five years.

Training Programs Conducted During April - June 2023:

People Management Program: Organized for 158 managerial level employees across departments to foster team spirit, boost morale and enhance productivity through engaging activities. The training program aimed at nurturing a positive workplace culture where employees feel valued and appreciated.

Highlights of our CSR Initiatives During April-June 2023:

- Organized a blood donation drive in association with Rashtrottana Blood Centre at our HO during June 2023. Over 80 of our employees volunteered to donate their blood and received certificates of appreciation for their selfless gesture.
- Inked an MoU (Memorandum of Understanding) with Swades Foundation to impart skill development training to rural youth from the Nashik district of Maharashtra.
- Signed an MoU with Jivika Healthcare to provide free of cost cancer screening facility and quality primary healthcare services via mobile clinic for the underserved population in remote villages of Ramgarh district, Jharkhand.
- Sponsored industry relevant and job-oriented vocational trainings to 154 rural candidates from Karnataka, Maharashtra, and Madhya Pradesh.
- Sponsored RO drinking water kiosks, water dispensers, 3-seater chairs, and barricades to 21 rural police stations in Maharashtra, Gujarat, and Rajasthan.
- 327 rural children regularly attended our free digital self-learning centres in Bagalkot district of Karnataka and Madurai region in Tamil Nadu.
- Distributed grocery kits and relief materials to over 1,054 individuals affected by various disasters like house fire, cyclone, and rail accident in Karnataka, Gujarat, Uttar Pradesh, and Odisha.

Weaving Hope Through Six Yards of Elegance!



Ms. Shyamala is one of our customers from Tamil Nadu who hails from a family of Kanchipuram silk saree weavers. Kanchipuram silk sarees are exquisite silk sarees from the Kanchi region in Tamil Nadu, renowned for their timeless richness and myriad colours. They are woven from pure mulberry silk and intricately decorated with beautiful motifs.

Shyamala's family has been engaged in this traditional craft as a livelihood for many generations. But with only a single handloom machine at her disposal, Shyamala had a tough time completing the orders for silk sarees on time.

She found a beacon of hope when one of our loan officers introduced her to our hassle-free and affordable loans. Shyamala decided to opt for it and availed her first loan of Rs.35,000. With the help of the loan, coupled with her savings, she added an extra handloom machine to her workshop. She confidently remarks, "The demand for Kanchipuram sarees have risen, and I receive orders for festivals, weddings, and engagement ceremonies from premium stores and brands. The additional loom which I purchased with the help of the loan has come in very handy, especially with the rising demand. Both my husband and I have started working together to fulfil orders on time, and our business has now gained momentum. Apart from sarees, we also weave silk dhotis and skirts and earn around Rs.4,000 plus bonus per order."

She further adds, "The best part of availing loans from CA Grameen is that the loans are collateral-free and comes at an affordable interest rate. This has allowed me to repay the loan in easy instalments and reduced my financial burden".

Speaking about CA Grameen, she tells, "I have availed loans from the company at various occasions, be it for our business needs or to fulfil our daughter's educational expenses. The loans have helped us a lot and our lives have improved now. Thank you."