

CREDITACCESS GRAMEEN RELIES ON TECH FOR SPEED AND QUALITY

In 2007, the microfinance activities of CreditAccess Grameen were transferred from NGO to a well-regulated and registered NBFC, which subsequently got reclassified into a regulated and governed NBFC-MFI entity by the Reserve Bank of India (RBI) in 2013

CreditAccess Grameen registered a 22 percent growth year on year for its gross loan portfolio (GLP) to

touch Rs 16,599 crore for the financial year ended 2021-22 from Rs 13589 registered the year earlier. Even for the first quarter for the year 22-23, the GLP registered a 23 percent growth. The disbursement for the last financial year grew by 22.5 percent year-on-year to Rs 5,792 crore.

In the last 15 months, 88 new branches were added taking the total number of branch network to 1681 branches for CAGL. Almost three lakh new customers were added in the first quarter of this financial year. CAGL had adopted a diversification strategy which has shown positive results. Nearly 56 percent of the borrower additions during the first quarter of FY23 come from outside of the top three states.



Udaya Kumar Hebbar
Managing Director & CEO
CreditAccess Grameen



GOLD SHIELD AWARD FOR INTEGRATED REPORTING

CreditAccess Grameen was bestowed with the Gold Shield Award as "Excellence in Integrated Reporting and Reporting on Sustainable Development Goals for the year 2020-21" by the Institute of Chartered Accountants of India (ICAI).

By virtue of being in the microfinance space, CAGL has been creating a positive social impact over the last two decades and empowering low-income households through its affordable products and

“Technology-driven innovations have undoubtedly played a big part in the efficient expansion of micro credit in the largest market in the world. We have leveraged tech solutions such as instant credit checks to confirm eligibility, authentication, online money transfers as well as UPI-based repayment transactions to reach a wider network of customers. Technology is truly democratising the availability of information at one's fingertips, and it can transcend and reach otherwise remote rural locations



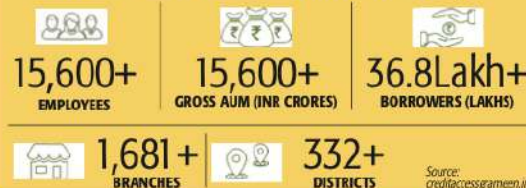
services. Integrated Reporting adopted by the institution gives an opportunity to effectively blend ESG principles into the business model and adopt sustainable business practices in future initiatives. It also encourages aligning the business strategy, performance, and governance to build long-term sustainable value for all the stakeholders.

An initiative of the regulator of the accountancy profession in the country, ICAI decided to recognise and award exemplary entities and confer ICAI Sustainability Reporting Awards for the year 2020-21 (first edition) through its Sustainability Reporting Standards Board (SRSB). The institution received the award under Category II which recognises Excellence in Sustainability Reporting under New Entrants in the Integrated Reporting.

NGO TO NBFC-MFI: THE JOURNEY

The institution started as

The CreditAccess Grameen story



a trust in a small village in Bengaluru and has grown into a valuable market brand on the back of over two decades of perseverance. Vinatha Reddy (founder) and Suresh Krishna (co-founder) nurtured the institution as a non-governmental organisation (NGO) and transitioned it to a non-banking financial institution (NBFC) in 2007-08.

The strong fundamentals inculcated by the founders helped the company attract key investors and transformed the institution into a mainstream NBFC-MFI (microfinance institution) thereafter. The experienced and stable management team helped the company to adapt relevant

technology, innovation and strategies to continue to enhance customer experience and increase market share to become the largest and trusted MFI understanding the pulse of rural economy.

The institution adapted the Grameen Bank's group lending methodology of microfinance to the Indian environment and launched operations in Avalahalli on the outskirts of South Bengaluru. It offered collateral-free loans as well as other services to women from the bottom of the economic pyramid with the aim of

creating equal opportunities and inclusive development for both rural and urban poor. The loans intended to help customers raise their standard of living and break the vicious poverty cycle. The institution steadily groomed a class of mature and financially literate women entrepreneurs who began to outgrow the group lending model.

In 2007, the microfinance activities of CreditAccess Grameen were transferred from NGO to a well-regulated and registered NBFC, which subsequently got reclassified into a regulated and governed NBFC-MFI entity by the Reserve Bank of India (RBI) in 2013. Grameen Koota continues to be the operating brand name of CreditAccess Grameen (formerly known as Grameen Koota Financial Service Private Limited).

“We are so proud of the work CreditAccess Grameen is doing in enabling India's rural population to be financially independent. We feel privileged to be a technology partner, in this journey of empowering the women and the family in the rural household

Lingraju Sawkar
President
Kyndryl India

