



Spark Capital advised CreditAccess Grameen on its Qualified Institutional Placement of INR 8,000 Mn

Spark Capital (“Spark”) acted as advisor to CreditAccess Grameen Limited for the Issue

Spark is pleased to announce that CreditAccess Grameen Ltd. (“CAGL”) has successfully completed Qualified Institutional Placement (“QIP”) and raised INR 8,000 Mn / ~ USD 110 Mn (“Issue”). This Issue was the first instance of a listed MFI player raising external capital in the post COVID era.

The QIP saw strong demand from 20 investors across different investor categories and was oversubscribed. The majority of the Issue (~ 60%) was placed with external investors, with strong backing from existing investors who subscribed to ~ 40% of the Issue. The Issue allocation was largely to marquee long only funds (~50%), mutual funds & insurance companies (together ~40%). The Issue witnessed strong demand from global investors with ~ 60% of the Issue being placed with international investors across US and Asia and ~ 40% with domestic investors.

The largest anchor investor was T. Rowe Price subscribing to ~ 19% of the Issue. Other investors who were allocated more than 5% of the Issue include Kotak Funds, TATA AIA Life Insurance, Nomura Asset Management, HDFC Life Insurance, ICICI Prudential Mutual Fund and Nippon India Mutual Fund. Other notable investors like Millennium, Max Life Insurance, Principal Global and Segantii also participated in meaningful proportion (2% - 5% of Issue size).

Spark worked closely with CAGL throughout the process from Issue planning to execution, and also advised on aspects of Issue sizing, timing, structure, allocation and quality of the book.

Udaya Kumar Hebbar, Managing Director and CEO, CAGL said “We are pleased to have successfully completed our QIP of INR 8,000 Mn. The QIP is an important milestone in our journey of growth and our second public fund raise, post our IPO in August 2018. The successful QIP is a vote of confidence from investors for our customer centric model, rural focused business, and our ability to manage operations efficiently and emerge stronger from the all the challenges that COVID situation has created. We thank our existing investors for their continued support and welcome new investors to our Company. We would also like to thank Spark Capital for their significant contribution at every step of the QIP process”

Satish Narayan, Director, Financial Services, Spark Capital said “We thank CAGL for giving us the opportunity to work together on this hugely successful QIP. The QIP helps CAGL broaden its investor base which augurs well for the shareholding of the Company from a long term perspective. It further reinforces CAGL’s position as the leader in MFI space. The funds raised will ensure that CAGL continues to maintain its strong growth trajectory despite COVID related challenges. We wish the team the very best as they continue to execute meticulously in a tough operating environment.”

Spark continues to build on its deep and long-term association with CreditAccess Group and is privileged to have advised the Group and CAGL across multiple capital raising events and strategic transactions aggregating to over USD 450 Mn over the last 6 years.

This transaction marks Spark's seventh transaction in the MFI space in the last 5 years with a cumulative deal value of over USD 600 Mn. Spark continues to maintain its leadership position in the BFSI space having consummated 41 transactions aggregating to USD 2.7 Bn in value across various sub-segments of the BFSI space.

About CreditAccess Grameen Limited:

CreditAccess Grameen Limited is a leading Indian microfinance institution headquartered in Bengaluru, focused on providing micro-loans to women customers predominantly in rural areas across India. The Company is operates in 248 districts in 14 states and 1 union territory in India through 1,388 branches. It had a Gross Loan Portfolio of INR 117,240 Mn and a customer base of 4.0 Mn as at June 2020. It is listed on NSE and BSE with a market capitalisation of above INR 100,000 Mn. The Company's Promoter is CreditAccess India N.V, which is backed by institutional investors and also has micro-lending experience through its associate entities operating in four countries in Asia. More information on CAGL can be found at <https://www.grameenkoota.org/>

About Spark Capital:

Spark Capital is among India's leading investment banks, providing a full suite of services encompassing Investment Banking, Institutional Equities, Wealth Management and Structured Finance & Debt Syndication. Spark Capital's Investment Banking business has successfully consummated deals with a total transaction value of close to USD 7.0 Bn since inception; Spark Capital's Institutional Equities division covers over 260+ stocks under research and enjoys empanelment with over 350 institutional clients across FIIs, DIIs and Family offices. Spark Capital is headquartered in Chennai and has offices in Bengaluru and Mumbai. Further information is available at www.sparkcapital.in

Best Regards,
Team Spark

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