

Annapurna Raised INR 137 Cr from ADB, eyeing more financial support to Rural Women

New Delhi, 4th February, 2019: Annapurna Finance raised INR. 137Cr as primary equity investment from Asian Development Bank (ADB) which will allow the MFI to expand its micro-finance portfolio by extending micro-credits to women members of Joint Liability Groups (JLGs). Along with this primary another INR 75 crore of secondary round also happened where existing investors of the company OIJIF, Oikocredit and Bamboo Finance bought shares from early stage investors Incofin Investment and SIDBI Venture capital's Samriddhi fund.

"We are very excited to partner with another global investor like Asian Development bank. We are at an enlivening juncture, where the business model has been proven and is also scaling well. Annapurna has succeeded to attract renowned global investors portraying its increasing augmentation in this sector. We look forward to leveraging ADB's experience to strengthen our product and our reach to people in need of financing solutions. This transaction will help us in growing our presence in new asset classes like MSME and Affordable housing" said **Gobinda Chandra Pattanaik, Managing Director, Annapurna Finance Private Limited.**

"Women, particularly in the rural areas in India, still have difficulty in accessing capital, which limits their potential and prevents them from contributing significantly to inclusive and sustainable growth," said **Paul Flegler, ADB's Principal Investment Specialist for Private Sector Operations.** He further added that, "ADB's support to Annapurna will expand its lending portfolio, helping ensure that rural women and micro and small enterprises needing capital can have better access to finance."

Annapurna based in Bhubaneswar have a wide area of micro-finance operations in 277 district across 14 states serving 1.4 million of clients, most of which are women. With a network of closely 500 branches, Annapurna has 85% of its borrowers from rural India. The company's existing investors include SIDBI, INCOFIN, OIJIF, Belgian Investment Organization, SIDBI Venture Capital, DCB Bank, Oiko Credit, Women's World banking (WWB) and Bamboo Capital Partners.

Along with group loan products, Annapurna Finance also have individual loan products for disables, Safe water and sanitation, consumer durables and environment friendly energies. Over the last few quarters, Annapurna Finance also diversified its portfolio in MSME Finance and Affordable Housing Segment. It has opened 60 branches which are exclusively financing to MSME and Housing segment.

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 67 members—48 from the region. In 2017, ADB operations totalled \$32.2 billion, including \$11.9 billion in co-financing.

Unitus Capital was exclusive financial advisor in this business transaction between Annapurna Finance and ADB. The lawyers involved in the transaction were IC Universal Legal and Trilegal.

"We, at Unitus Capital, are privileged to have had the opportunity to work with Annapurna on this fund raise. They have a robust growth record and a strong focus on business fundamentals. This has helped attract strong investor interest. Unitus Capital is proud to be associated with this transaction and we remain committed to ensure access to capital to the sector," said **Abhijit Ray, Co-Founder & Managing Director, Unitus Capital.**

About Annapurna Finance

Annapurna Finance Pvt. Ltd is a Non-Banking Financial Company- Microfinance Institution



(NBFC-MFI) regulated by Reserve Bank of India. It is promoted by Mr. Gobinda Chandra Pattanaik. It was created for the purpose of growth of the microfinance operation in the areas which are still away from the touch of the formal financial system of the economy and provide livelihood support to the poor households by providing financial and technical support to strengthen entrepreneurial skill for effective and efficient undertaking of business activities.