

# Equitas

## Supporting good quality jobs



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S Muralidharan, Group Head of Human Resources, Equitas



Location

**India**

CDC investment

**US\$22m**

Date of investment

**2013/14**



# Equitas

**Around 45 per cent of the population in India lacks access to formal finance. Microfinance is an established route of providing credit to the very smallest businesses.**

Equitas specialises in providing loans to small entrepreneurs. Based in Chennai, southern India, it lends money to three million microfinance customers across 12 Indian states.

Equitas currently employs 7,000 staff, and around 80 per cent of its employees work directly with its customers. The company prides itself on being a responsible employer. It has introduced benefits and policies that are aimed at supporting all aspects of its employees' lives.



Our approach to employees has always been to look at them as a whole person and not only as a resource. It's about engaging their body, mind, heart and spirit. All our human resources benefits and policies have been designed to touch one or more of these four aspects of employees. That's been the process right from day one.

**S Muralidharan, Group Head of Human Resources, Equitas**



Equitas employees at group headquarters in Chennai

## How CDC's investment supports Equitas

**Businesses in developing countries often struggle to find the investment they need to grow. CDC supports the building of businesses throughout Africa and South Asia, to create jobs and make a lasting difference to people's lives in some of the world's poorest places. We do this by providing businesses with patient, long-term capital and expertise to help raise their standards.**

Since 2013, CDC has invested a total of US\$22 million in Equitas. The investment has helped the company to grow. Direct employees at Equitas have increased from over 3,400 employees just before investment to 7,000 employees today.



CDC, by nature, is a long-term investor which really looks into the value that it can add in the long term to a country's economy... CDC has been really supportive of us.

**H K N Raghavan, CEO, Equitas Microfinance**



One of the ways that CDC is supporting Equitas to grow is by expanding into new types of lending for small entrepreneurs. This includes vehicle finance, which gives drivers the opportunity to buy a second-hand commercial vehicle and so generate more income. By offering these new financial services, Equitas is not only supporting more customers, but also employing more people in its new divisions.



CDC has been quite positive in terms of our new products as well. We started with microfinance, and engaging with the same segment of clients we introduced used commercial vehicle and housing products.

**H K N Raghavan, CEO, Equitas Microfinance**



# How Equitas supports good quality jobs

**Equitas offers a range of benefits for its staff. These benefits include generous medical insurance, a stock option scheme open to all employees, initial and ongoing training, and even a day's leave for staff to celebrate their wedding anniversary.**

Employees have responded positively to these benefits. For example, Equitas consistently ranks highly in the 'India's Best Companies to Work For' survey, which assesses companies partly based on employee feedback.



These are people who've come from a similar social background to our customers, they are not very well off, so for them even the social security requirements of a proper provident fund and statutory insurance are good enough. But then we go beyond that, we provide them with medical insurance in addition to the statutory insurance that is required.

**S Muralidharan, Group Head of Human Resources, Equitas**



**Priya is a customer support officer at Equitas. Based in a small branch office in Chennai, Equitas promoted Priya to her current role.**

She joined Equitas because she wanted to support women entrepreneurs. Many women living in her local area had benefitted from receiving a loan from Equitas, and this made her interested in working for the company.

Priya is pleased with the job's benefits – in particular, the leave offered to employees for wedding anniversaries, and the health insurance. She likes the fact that the health insurance offered by Equitas covers not just employees, but their extended families too.

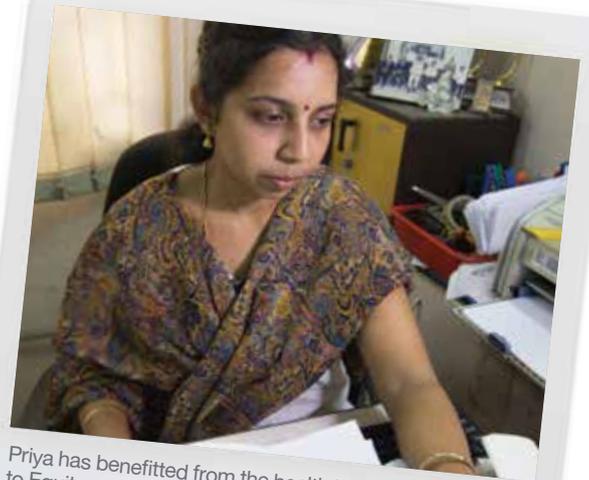


The health card is a useful thing. If we get ill, we can use this card. I have experienced this benefit, as when my husband was sick, we received 100,000 rupees (US\$1500) from Equitas. That was something I was very grateful for.

**Priya, Customer Support Officer, Equitas**



Equitas employees at group headquarters in Chennai



Priya has benefitted from the health insurance offered to Equitas employees

# About CDC

**CDC is the UK's development finance institution, owned by the UK Government. Our mission is to support the building of businesses throughout Africa and South Asia, to create jobs and make a lasting difference to people's lives in some of the world's poorest places.**

Businesses in developing countries often struggle to find the investment they need to grow. CDC helps meet that need by providing businesses with patient, long-term capital and expertise to help raise their standards.

We aim to invest in countries where the private sector is weak and jobs are scarce, and in sectors where growth leads to jobs, especially agribusiness, construction, education, financial institutions, health, infrastructure and manufacturing. These jobs can be created directly in the businesses in which we invest, but also indirectly in supply chains, through local spending of wages, and through better access to power and finance.

As a responsible investor, we support businesses to achieve good environmental, social and business integrity standards. Examples include supporting them to improve working conditions in factories, reduce negative environmental impacts, or enhance community facilities.

We want the businesses we invest in to be financially successful, because this is how they can grow, create jobs, and make a lasting difference. We also aim to show that it is possible to invest successfully in challenging environments, in order to attract commercial capital to these countries and sectors. The financial returns from the businesses CDC invests in are reinvested into other businesses. In this way, CDC is able to help more businesses grow and provide jobs.

CDC is a pioneering institution that has been investing in developing countries for almost 70 years. Over 1,300 businesses in developing countries are supported by CDC's capital, with over 350 of these businesses in South Asia.

Find out more about our work at [www.cdggroupp.com](http://www.cdggroupp.com)

