

May 30, 2020

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400001
Scrip code: **541770**

National Stock Exchange of India Limited

The Exchange Plaza
Bandra Kurla Complex Bandra
(East) Mumbai 400051
Scrip code: **CREDITACC**

Dear Sir/Madam,

Subject: Press Release –Q4 FY20 Results

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with reference to the above subject, we hereby submit the enclosed press release for your kind information and records.

Thanking you,

Yours sincerely,

For CreditAccess Grameen Limited

M J Mahadev Prakash
Head - Compliance, Legal & Company Secretary
Membership No: A16350

Our Financial Products



CreditAccess Grameen Limited
Full Year & Fourth Quarter FY19-20 Results

Gross Loan Portfolio up 67.6% YoY to INR 11,996 crore
Borrower Base up 64.2% YoY to 40.6 lakh borrowers
Standalone PAT of INR 328 crore
Standalone Return on Assets of 3.6%
Standalone Return on Equity of 12.9%

Bengaluru, 30th May 2020: CreditAccess Grameen Limited (NSE: CREDITACC, BSE: 541770, 'CAGL'), country's leading microfinance institution, today announced its audited financial performance for the fourth quarter and full financial year ending 31st March 2020.

CAGL achieved a major milestone on 18th March 2020 by successfully completing the first step of the merger with Madura Micro Finance Limited ('MMFL'). CAGL acquired 76.08% stake in MMFL by paying INR 661.2 Cr.

CAGL has been certified as 'Great Place to Work' and ranked among 'Top 25 – India's Best Workplaces in BFSI 2020'.

Consolidated Operational Highlights

- Gross loan portfolio grew by **67.4% YoY** from INR 7,159 crore to **INR 11,996 crore**
- Borrowers grew by **64.2% YoY** from 24.7 lakh to **40.6 lakh**
- Branch network grew by **107.9% YoY** from 670 branches to **1,393 branches**
- Loan officers grew by **68.0% YoY** from 5,768 loan officers to **9,688 loan officers**
- Employee base grew by **79.8% YoY** from 8,064 employees to **14,496 employees**
- Share of **rural borrowers** increased from 82% to **86%**
- **Higher district penetration** with 5.6 branches per district, compared to 4.3 in prior year
- **97% districts with <2% portfolio exposure**, compared to 94% in prior year

CAGL: Standalone Financial Highlights - FY20

- NII grew by **28.1% YoY** from INR 847.6 crore to **INR 1,085.9 crore**
- PPOP (excl. MMFL merger transaction costs) up **23.1% YoY** from INR 572.6 crore to **INR 705.1 crore**
- Provisions on loan portfolio were INR 239.0 crore. The company made **additional provisions of INR 82.9 crore on account of COVID-19 impact, apart from overlay built in for previous comparable risk events in its ECL methodology** in FY21
- Hence, PBT declined by 9.4% YoY from INR 497.7 crore to **INR 450.9 crore**
- PAT increased by **1.8% YoY** from INR 321.8 crore to **INR 327.5 crore**
- **ROA of 3.6% and ROE of 12.9%**
- Well capitalised with **CRAR of 23.6%**, stable asset quality with **GNPA of 1.57%, NNPA of 0.00%** backed by conservative **provisioning of 2.86%**



CAGL: Standalone Financial Highlights - Q4 FY20

- NII grew by **26.2% YoY** from INR 227.2 crore to **INR 286.7 crore**
- PPOP (excl. MMFL merger transaction costs) up **22.6% YoY** from INR 151.5 crore to **INR 185.7 crore**
- Provisions made on loan portfolio were INR 140.7 crore. The company made **additional provisions of INR 82.9 crore on account of COVID-19 impact, apart from overlay built in for previous comparable risk events in its ECL methodology** in FY21
- PBT of **INR 29.8 crore** and PAT of **INR 22.8 crore**

Consolidated Highlights FY20:

Particulars	CAGL	MMFL
Gross Loan Portfolio (INR Cr)	9,896	2,100
Borrowers (Lakh) *	29.1	12.2
Branches	929	464
Loan Officers	7,716	1,972
Employees	10,824	3,672

* only 64,865 common borrowers

Particulars (INR Cr)	CAGL	MMFL
Net Interest Income (NII)	1,085.9	269.8
Pre-Provision Operating Profit (PPOP) (Excl. MMFL Merger Transaction Costs)	705.1	169.6
Profit Before Tax (PBT)	450.9	106.4
Profit After Tax (PAT)	327.5	79.7

Key Ratios	CAGL	MMFL
Net Interest Margin (NIM)	12.1%	11.9%
Cost/Income Ratio	36.6%	39.5%
Opex/GLP Ratio	4.9%	5.5%
Gross NPA	1.57%	1.60%
Net NPA	0.00%	0.00%
Return on Assets (ROA)	3.6%	3.5%
Return on equity (ROE)	12.9%	21.7%

Commenting on the performance, Mr. Udaya Kumar Hebbar, Managing Director and CEO of CreditAccess Grameen, said, "We recorded strong business growth, with our standalone loan portfolio up 38.2% YoY to INR 9,896 crore and borrower base up 17.6% YoY to 29.1 lakh borrowers owing to large number of branches opened during the year. This was further augmented by MMFL acquisition, leading to consolidated loan portfolio growth of 67.6% YoY to INR 11,996 crore and 64.2% YoY growth in our borrower base to 40.1 lakh. Our consolidated branch network now stands at 1,393 branches, which includes 929 CAGL branches and 464 MMFL branches. With this transaction, we are the largest microfinance company in India, with leadership position in mature microfinance states of Karnataka, Maharashtra and Tamil Nadu, whilst building our presence across pan India. Our expanded branch network, seasoned manpower and experienced management team will help us drive our growth over coming years.



In the wake of COVID-19 pandemic affecting India's macroeconomic activities beginning from March 2020, we took necessary measures to ensure well-being and safety of our employees and customers, while abiding by all regulatory guidelines. We continued to maintain customer connect and proactive communication. We earmarked INR 5 crore funds under CSR to provide COVID-19 related support in form of supply of PPE kits, medical kits and grocery kits to local police stations, municipal / Asha workers. Our employees have contributed INR 53.6 lakh to PM CARES Fund as token of their solidarity.

With over 98% of our branches being operational with over 90% staff as on date, we are looking forward to resuming our collections & disbursements from 1st June onwards. Over 70% of our customers are positive about not opting for further moratorium, and about 20% of them wanted a few more weeks to start the transactions. This leaves close to 10% of our borrowers who might opt for further moratorium. We are predominantly present in rural markets which have always displayed strong resilience to external disturbances. Majority of our customers are engaged in essential activities, which have been allowed to function post 20th April. Further, various relief measures were taken by government to support people at bottom of the pyramid. Hence, we believe our customers to display faster recovery as regards their business activities and economic transactions. Our near-term focus will be on ensuring healthy liquidity position and timely collections from field, which will help us provide additional financial support to our borrowers. All our lenders have been supportive, and we are confident of raising sufficient funds from domestic and international sources in the coming months. With our robust operating model, proven execution capabilities, strong customer relationships and strong balance sheet with continued support from lenders, we are well-positioned to demonstrate faster recovery and get back on our growth trajectory."

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 now operating in 230 districts in the 13 states (Karnataka, Maharashtra, Tamil Nadu, Chhattisgarh, Madhya Pradesh, Odisha, Kerala, Goa, Gujarat, Rajasthan, Uttar Pradesh, Bihar and Jharkhand) and one union territory (Puducherry) in India through 929 branches. The Company's Promoter is CreditAccess Asia N.V., a multinational company specializing in MSE financing (micro and small enterprise financing), which is backed by institutional investors and has a micro-lending experience through its subsidiaries in four countries in Asia.

For more information, please contact:

Nilesh Dalvi

Vice President – Investor Relations

CreditAccess Grameen Ltd

investorrelations@grameenkoota.org

Sanchi Yadav

PR Consultant

Adfactors PR

sanchi.yadav@adfactorspr.com