



**RESILIENT  
AND  
SOCIALLY  
RELEVANT**



CreditAccess Grameen Limited  
Corporate Presentation  
June 2022

[www.creditaccessgrameen.in](http://www.creditaccessgrameen.in)

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# Quick Snapshot


- ✓ One of the Leading NBFC-MFIs in India
- ✓ Joint Liability Group (JLG) based lending model focused on rural women
- ✓ Diverse product suite catering to entire customer life cycle
- ✓ Calibrated, contiguous district-based expansion strategy focusing on deep rural penetration
- ✓ Superior customer service resulting in high customer retention
- ✓ Track record of consistently delivering high growth as well as financial performance


## Consolidated Financial and Operational Snapshot (March 2022)

GLP	Total Equity	PAT (FY22)	GNPA (@ 60+ dpd)/ Provisioning	ROA / ROE (FY22)	CRAR (Standalone/ Consolidated)
INR 16,599 Cr	INR 4,076 Cr	INR 357 Cr	3.61% / 3.44%	2.2% / 9.1%	26.5% / 22.8%

  
**38.24 Lakh**  
Active Borrowers

  
**1,635**   **319**  
Branches   Districts

  
**15,667**   **10,770**  
Employees   Loan Officers

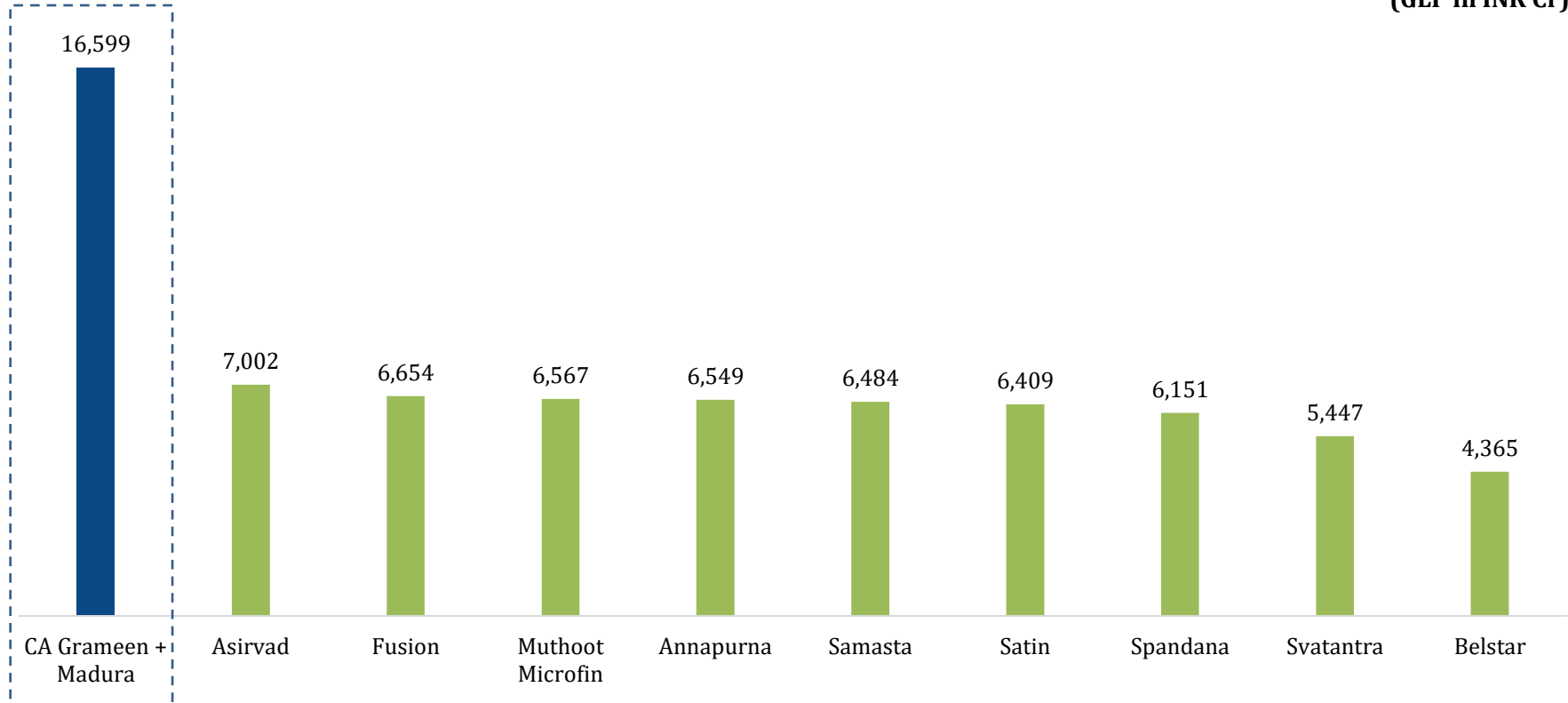
  
**84%**  
CA Grameen Borrower  
Retention Rate

  
**INR 43.4K**  
Avg. O/S Per  
Borrower

**Uniquely Positioned to Capitalise on the Highly Underpenetrated Credit in Rural Areas**

## CA Grameen is the Largest NBFC-MFI in India

(GLP in INR Cr)



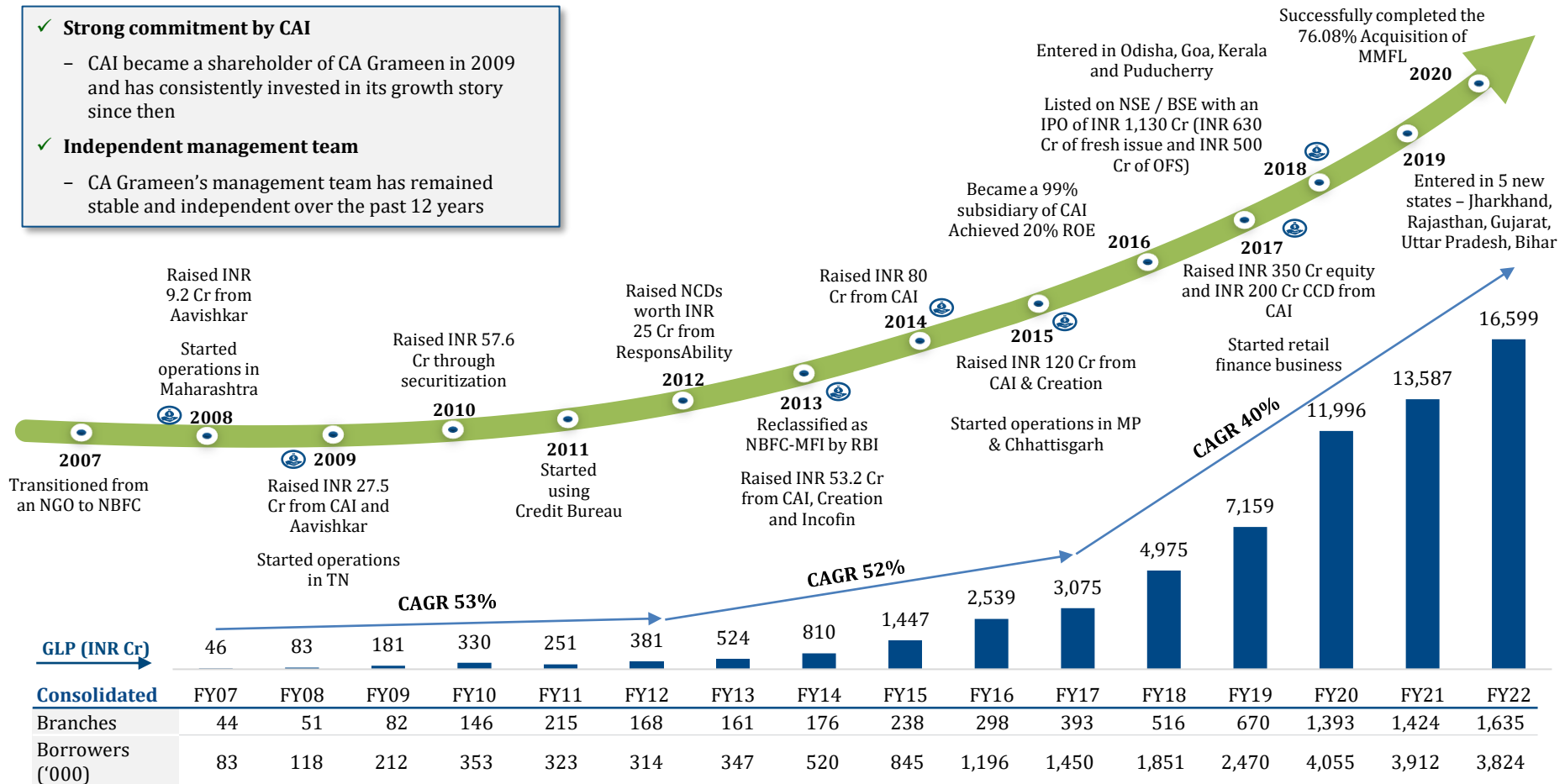
# Key Milestones

## ✓ Strong commitment by CAI

- CAI became a shareholder of CA Grameen in 2009 and has consistently invested in its growth story since then

## ✓ Independent management team

- CA Grameen's management team has remained stable and independent over the past 12 years



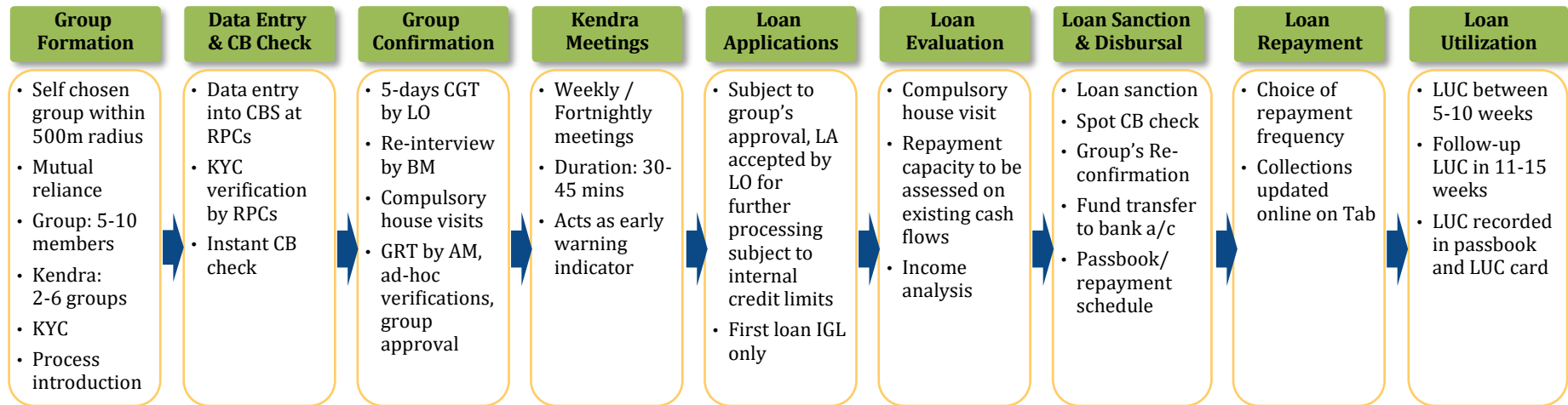
# Committed To Basics Through Classical JLG Lending Model

**Microfinance loans are unsecured. JLG mechanism acts as security/ loan collateral**

JLG Benefits:

- ✓ Strong group bonding
- ✓ Mutual support – both financial & emotional
- ✓ Guidance & grievance resolution
- ✓ Building awareness – Jagruti initiative
- ✓ High quality customer – good behaviour & strong credit discipline

**JLG Mechanism allows Multiple Layers of Checks before and after disbursement of loan**



Note: CB: Credit Bureau, CBS: Core Banking System, RPC: Regional Processing Center, CGT: Compulsory Group Training, LO: Loan Officer, BM: Branch Manager, AM: Area Manager, LA: Loan Application, LUC: Loan Utilization Check



# Focus On Customer Centricity, Loyalty & Retention

**“Credit Line Concept: Multiple Products with Repayment Flexibility” – Unique Feature in the MFI Industry across the globe**

✓ **One of the lowest lending rates in the MFI industry**

✓ **Diverse product suite:**

- Income generation, education, festival, medical, emergency, water, sanitation, home improvement, livelihood improvement, business expansion

✓ **Loan size flexibility:**

- Ability to borrow as required within assigned credit limit
- Ability to avail multiple loans with flexible size

✓ **Repayment flexibility:**

- Weekly/ bi-weekly/ monthly repayment options
- Ability to choose repayment frequency based on cashflow cycle
- No pre-payment penalty

Loan Type	Customer Centric Products	Purpose	Ticket Size (INR)	Tenure (months)
Group	Income Generation Loan (IGL)	Business Investments and Income Enhancement activities	5,000 - 100,000	12-36
Group	Home Improvement Loans	Water Connections, Sanitation and Home Improvement & Extensions	5,000 - 50,000	12-48
Group	Family Welfare Loans	Festival, Medical, Education and Livelihood Improvement	1,000 - 15,000	3-12
Group	Special Situation Loans	Emergencies	2,000	6
Group	Emergency Loans	Emergencies	1,000	3
Individual	Retail Finance Loans	Purchase of inventory, machine, assets or for making capital investment in business or business expansion	Up to 5,00,000	6-60

**High customer satisfaction**  
**84% Borrower retention rate**

**Sustainable & Socially Relevant**

**Significant growth from existing customer**

**Lower customer acquisition cost**

# Calibrated Expansion Through Contiguous District-Based Approach



Systematic geography selection based on availability of infrastructure, competition, historical performance trend, social/ economic/ political/ climate risk, growth potential



Ensures consistent replication of processes/ controls



Familiarity with demographics/ culture of nearby districts enables effective customer evaluation and better servicing



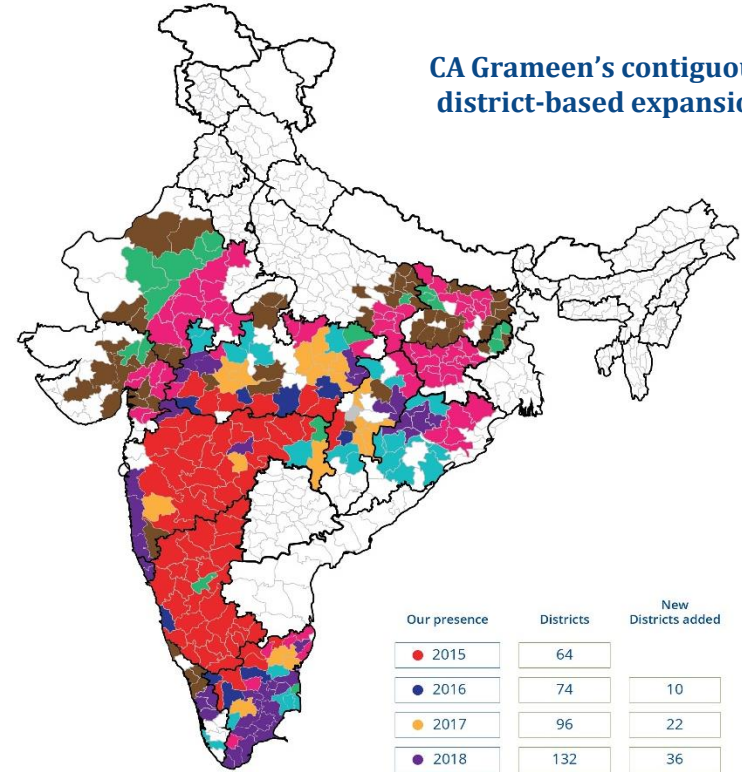
Achieving deeper penetration within a particular district within three years of commencement of operations



Gradual expansion into the next (typically adjoining) district



Lower exposure to a particular district (99% of districts  $\leq$  2% of GLP, No single district has > 4% of total GLP)



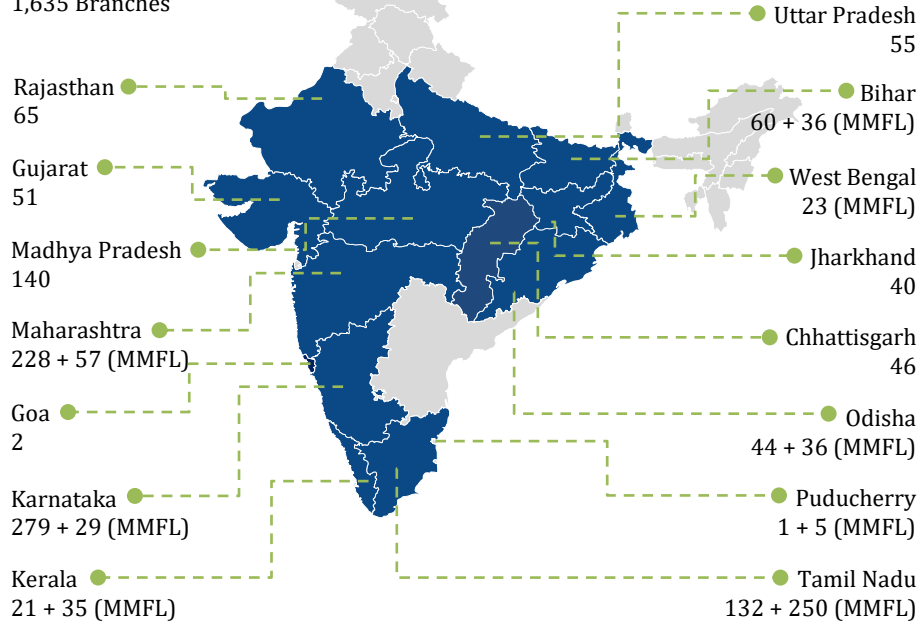
Our presence	Districts	New Districts added
● 2015	64	
● 2016	74	10
● 2017	96	22
● 2018	132	36
● 2019	157	25
● 2020	230	73
● 2021	247	17
● 2022	301	54



# Well-Diversified Presence Across India

## Our Presence as on Mar-22

14 States & 1 UT  
319 Districts  
1,635 Branches



Q4 FY22 Consolidated	Branches	% Share
Karnataka	308	18.8%
Maharashtra	285	17.4%
Tamil Nadu	382	23.4%
Madhya Pradesh	140	8.6%
Other States & UT	520	31.8%
<b>Total</b>	<b>1,635</b>	<b>100.0%</b>

Borrowers ('000)	% Share
1,077	28.2%
792	20.7%
911	23.8%
312	8.2%
731	19.1%
<b>3,824*</b>	<b>100.0%</b>

\* Excluding 27,690 Common Borrowers

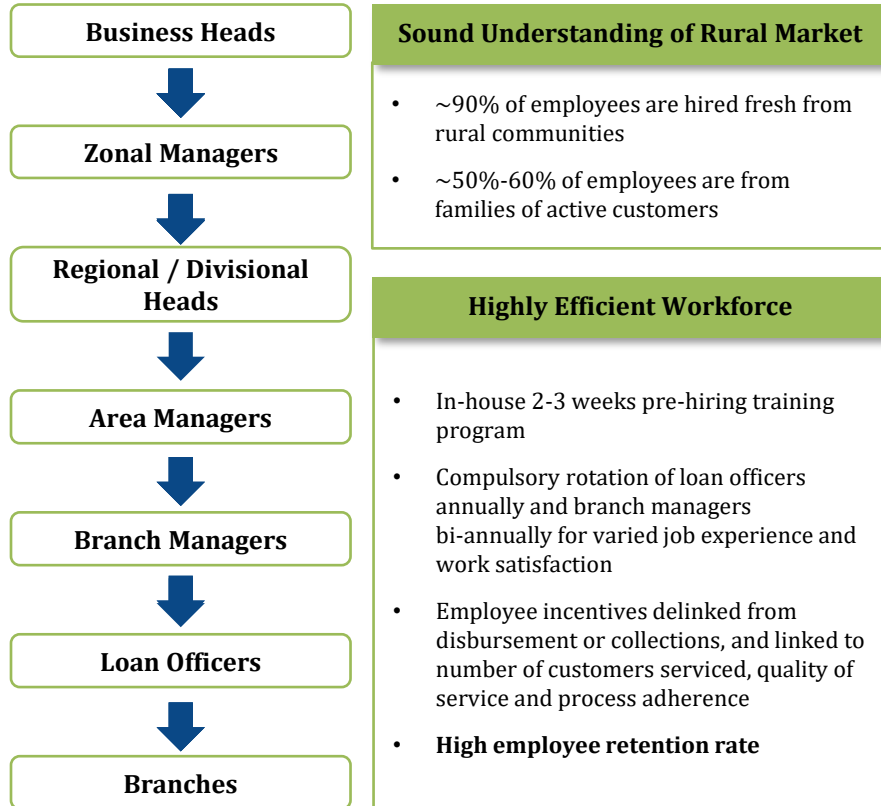
GLP (INR Cr)	% Share
5,964	35.9%
3,568	21.5%
3,458	20.8%
1,224	7.4%
2,385	14.4%
<b>16,599</b>	<b>100.0%</b>

Diversification Trend	Mar-18	Mar-20	Mar-22
<b>Branches - % Share</b>			
Top 3 States	80%	69%	60%
Others	20%	31%	<b>40%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Borrowers - % Share</b>			
Top 3 States	88%	81%	73%
Others	12%	19%	<b>27%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>GLP - % Share</b>			
Top 3 States	92%	84%	78%
Others	8%	16%	<b>22%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Well-Established Operational Structure



## Multi-Pronged Approach For Risk Management



## Ensures Quick And Seamless Delivery of Need Based Financial Products and Services backed by Robust Technology Infrastructure



### High touch-high tech delivery model:

- Digitized all customer touchpoints
- Field force equipped with handheld tabs for managing kendra meetings & collections
- Automated/ paperless customer on-boarding, faster KYC, and instant CB checks
- Lower TAT, same day and on-field loan disbursements
- Geotagging of kendra locations to optimize field visits
- Cashless disbursement / digital repayment options for customers
- Robust CBS to support innovative product features, enhanced data analytics for anticipating future trends
- Strong tech-enabled internal audit, risk and control systems to enable real-time field risk monitoring

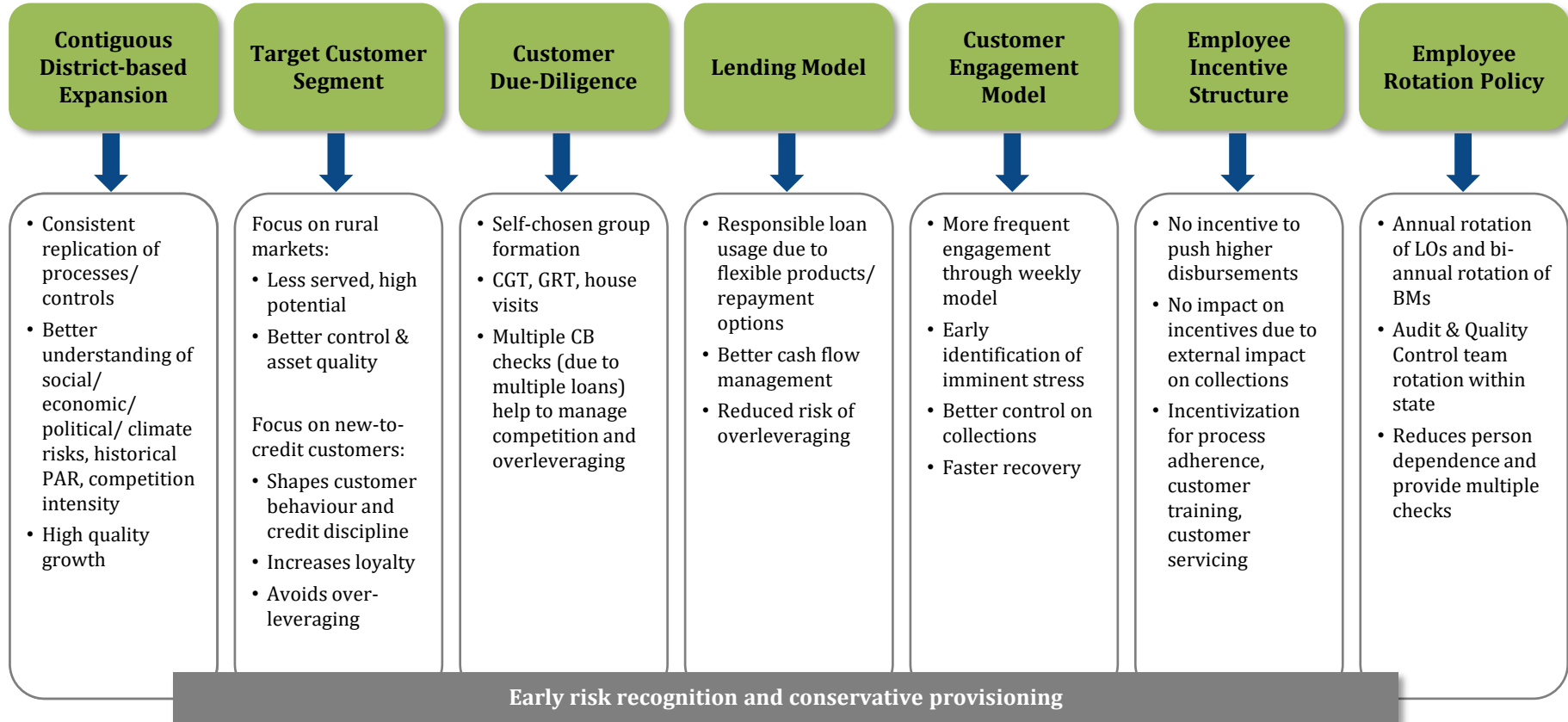


### Future Upgrades & Investments

- Upgradation of CBS to the latest version over next 18-24 months to enable higher business scalability
- Investment in Enterprise Service Bus and Microservices Architecture will allow us to be more agile and connect seamlessly with external financial and fintech ecosystems
- Enhancement of existing mobility apps including automation of entry through image reading, single platform for all apps
- Extension of workflow capabilities for process automation and more RPA enabled processes for faster processing
- Active exploration of partnerships with fintech players to implement innovative digital solutions
- Investment in zero code platforms and tools leading to faster implementation of new technologies

# Integrating Risk Management In Every Operating Process

Microfinance is a Collection Business, hence Risk Management is Integral to Core Strategy and Operating Processes





## Committed to Micro Finance Business

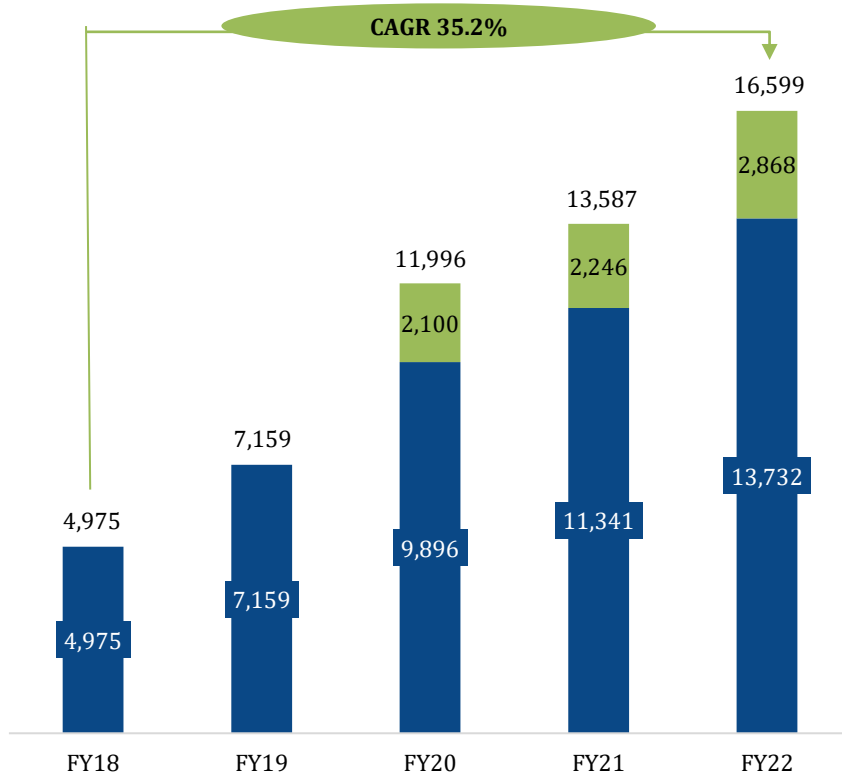
- CreditAccess India N.V. (CAI) specialises in Micro and Small Enterprises financing
- Widely held shareholding base: 253 shareholders
- Olympus ACF Pte Ltd. 15.4%, Asian Development Bank 8.7%, individuals/HNIs/Family Offices 75.9%
- Headquartered in Amsterdam, The Netherlands

## Strong Financial Support

- Invested through multiple rounds of capital funding along with secondary purchase during 2009 to 2017
- Displayed trust in our business model post demonetisation by infusing INR 550 Cr in FY17
- Provides access to global fundraising opportunities leveraging CAI's network and relationships
- Holds 73.85% in CA Grameen, committed to holding up to the regulatory requirement in future

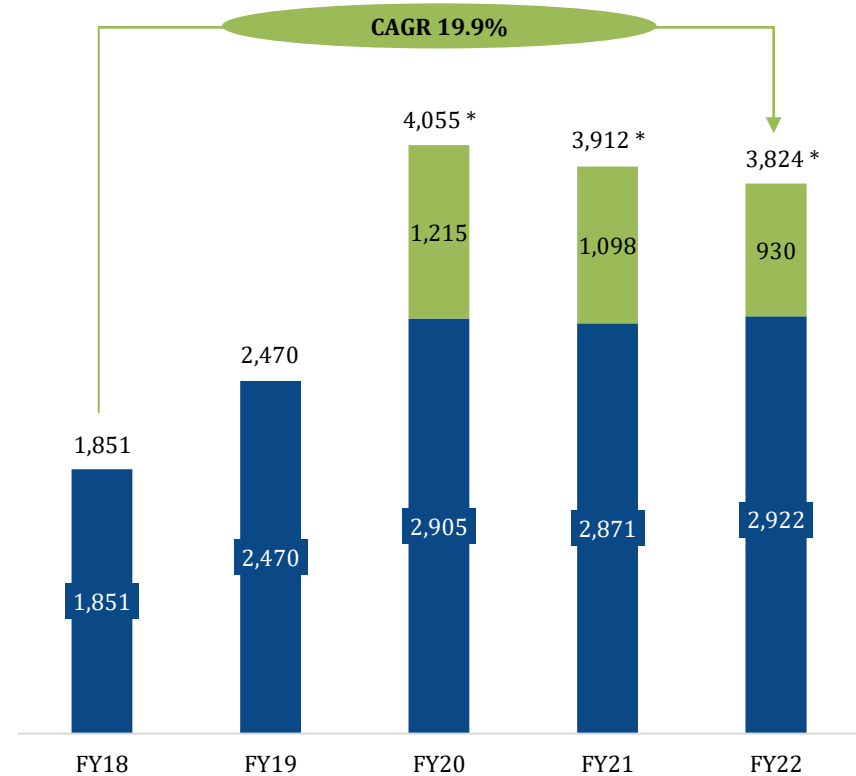
# Strong Performance Track Record (1/3)

**Gross Loan Portfolio (GLP) (INR Cr)**



■ CA Grameen

**Active Borrowers ('000)**



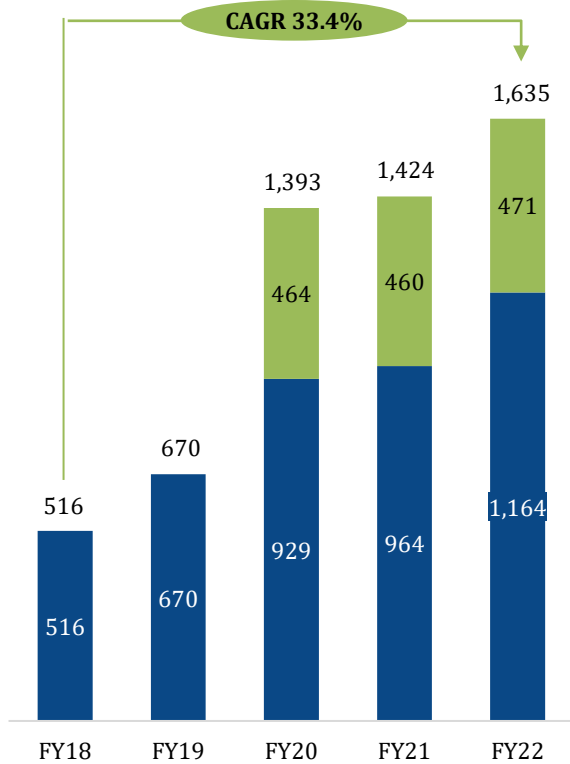
■ MMFL

\* Excluding Common Borrowers

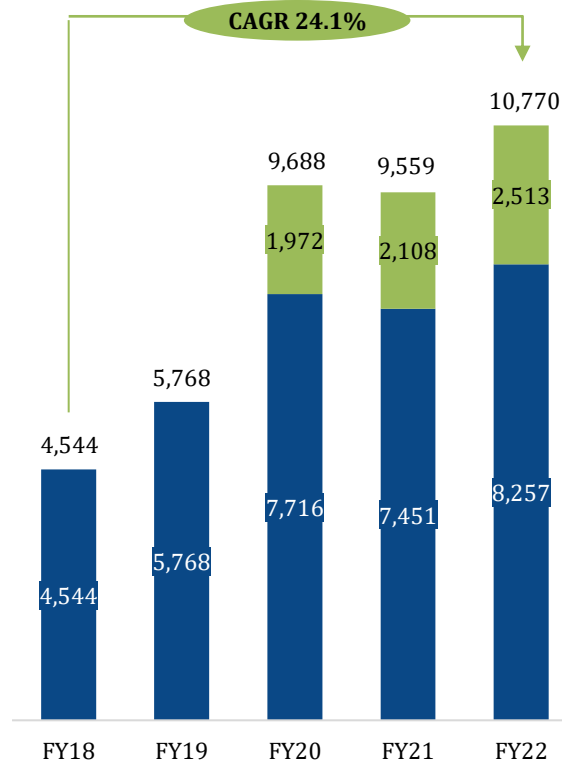


# Strong Performance Track Record (2/3)

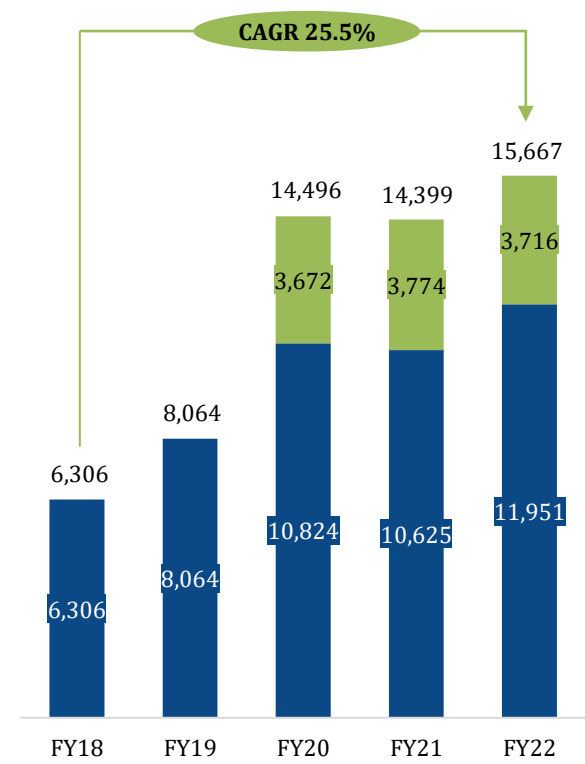
Branch Network



Loan Officers



Employees

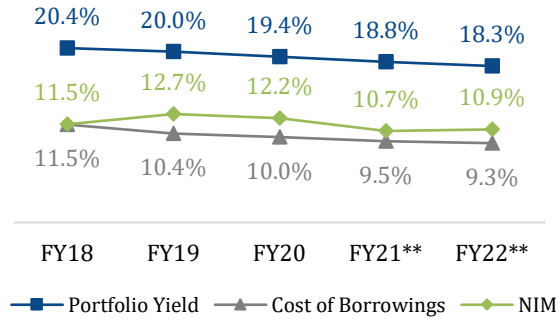


■ CA Grameen ■ MMFL

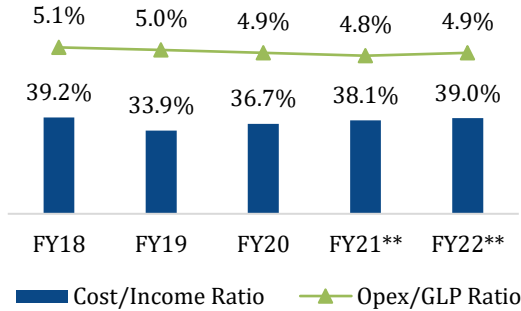
# Strong Performance Track Record (3/3)

Note: Refer Annexure for definition of key ratios

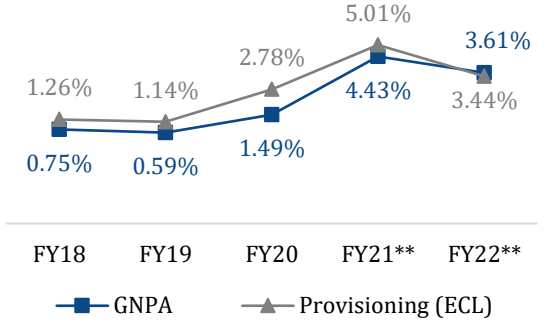
## Margin Analysis (%)



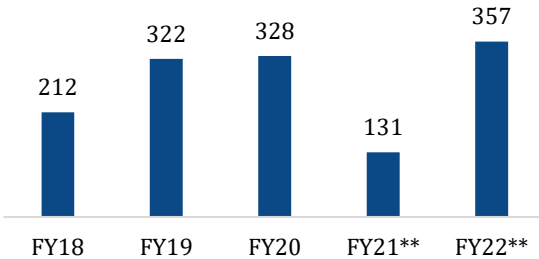
## Operating Efficiency (%)



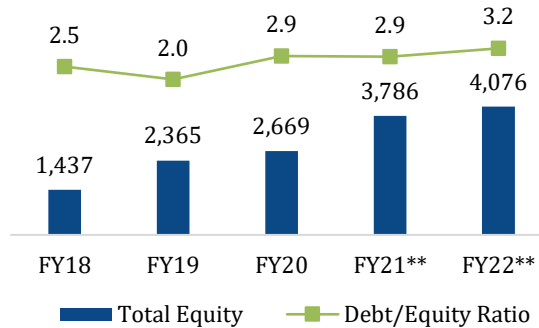
## Asset Quality (%)



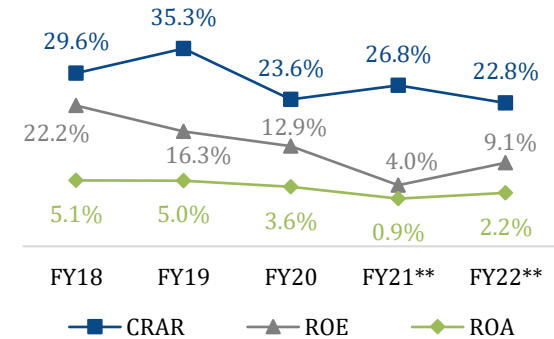
## PAT (INR Cr)



## Total Equity (INR Cr) & Debt/Equity Ratio

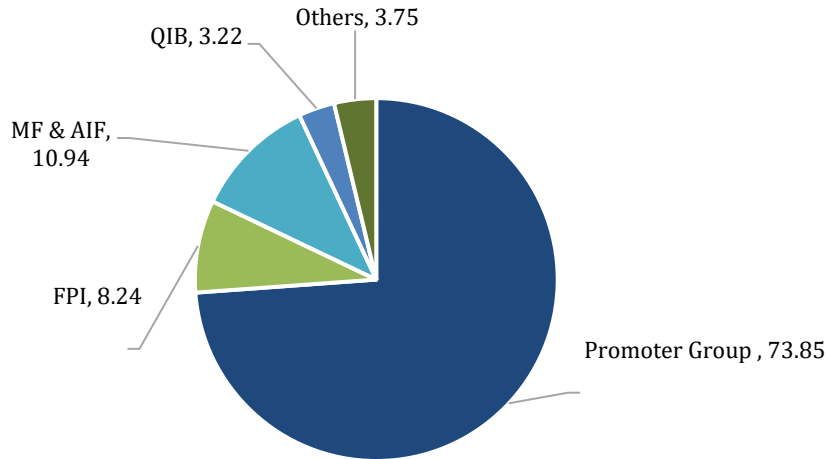


## Return Ratios & Capital Adequacy (%)



\*\* Consolidated Figures

## Shareholding Pattern – March 2022



## Top 10 Institutional Investors – March 2022

**Government Pension Fund Global**

**ICICI Prudential Life Insurance Company**

**ICICI Prudential MF**

**Nippon MF**

**SBI MF**

**T Rowe Price**

**Taiyo Pacific Partners**

**Tata AIA Life Insurance**

**UTI Mutual Fund**

**Vanguard**

# FY22: Consolidated Performance Highlights

**GLP: INR 16,599 Cr**  
**(+22.2% YoY)**

**NIM**  
**10.9%/ 11.6%<sup>1</sup>**  
**Weighted Avg. COB**  
**9.3%**

**Cost/Income Ratio**  
**39.0%**  
**Opex/GLP Ratio**  
**4.9%**

**PPOP**  
**INR 1,078 Cr**  
**(+13.2% YoY)**

**PAT: INR 357 Cr**  
**(+171.8% YoY)**

**ROA**  
**2.2%**  
**ROE**  
**9.1%**

**Capital Adequacy Ratio**  
**22.8%**  
**Tier 1 Ratio**  
**21.8%**

**Total Equity**  
**INR 4,076 Cr**  
**D/E Ratio**  
**3.2**

**GNPA (GS3)**  
**(GL: 60+ dpd, RF: 90+ dpd)**  
**3.61%**  
**PAR 90+**  
**2.71%**

**Provisioning**  
**3.44%**  
**Write-off**  
**INR 694 Cr**

**Branches 1,635**  
**(+14.8% YoY)**  
**Employees 15,667**  
**(+8.8% YoY)**

**Active Borrowers**  
**38.2 Lakh<sup>2</sup> (-2.2% YoY)**

- 1) Figures adjusted excluding impact of interest income (on Stage 3 portfolio) de-recognition of INR 95.1 Cr in FY22  
2) 3.8 lakh borrowers were written off during FY22 while 6.9 lakh new borrowers were added during the same period



**Thank You**

