



CreditAccess Grameen Limited

Q1 FY23 Results Presentation

July 2022

STOOD THE TEST OF  
**TIME** AND **TRUST**



By accessing this presentation, you agree to be bound by the following terms and conditions. This presentation (which may reflect some price sensitive information in terms of SEBI regulations and Companies Act, 2013, as amended from time to time) has been prepared by CreditAccess Grameen Limited (the "Company"). The Company may alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify any persons of such change or changes.

This presentation may contain certain "forward looking statements". These statements include descriptions regarding the intent, belief or current expectations of the Company or its management and information currently available with its management, including with respect to the results of operations and the financial condition of the company. By their nature, such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in such forward-looking statements as a result of various factors and assumptions that the Company believes to be reasonable in the light of its operating experience in recent years. Many factors could cause the actual results, performances, or achievements of the Company to be materially different from those contemplated by the relevant forward-looking statement. Significant factors that could make a difference to the Company's operations include domestic and international economic conditions, changes in government regulations, tax regime, and other statutes. There may be additional material risks that are currently not considered to be material or of which the Company and its advisors or representatives are unaware. Against the background of these uncertainties, readers should not rely on these forward-looking statements. Neither the Company nor any of its advisors or representatives, on the behalf of the Company, assumes any responsibility to update or revise any forward-looking statement that may be made from time to time by or on behalf of the Company or to adapt such forward-looking statement to future events or developments.

This presentation contains certain supplemental measures of performance and liquidity that are not required by or presented in accordance with Ind AS, and should not be considered an alternative to profit, operating revenue, or any other performance measures derived in accordance with Ind AS or an alternative to cash flow from operations as a measure of liquidity of the Company.

No representation, warranty, guarantee, or undertaking (express or implied) is made as to, and no reliance should be placed on, the accuracy, completeness, or correctness of any information, including any projections, estimates, targets, opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein and, accordingly, none of the Company, its advisors and representative and any of its or their affiliates, officers, directors, employees or agents, and anyone acting on behalf of such persons accepts any responsibility or liability whatsoever, in negligence or otherwise, for any loss or damage, direct, indirect, consequential or otherwise arising directly or indirectly from use of this presentation or its contents or otherwise arising in connection therewith.

This presentation is based on information regarding the Company and the economic, regulatory, market, and other conditions as in effect on the date hereof. It should be understood that subsequent developments may affect the information contained in this presentation, which neither the Company nor its advisors or representatives are under an obligation to update, revise or affirm.

You must make your own assessment of the relevance, accuracy, and adequacy of the information contained in this presentation and must make such independent investigation as you may consider necessary or appropriate for such purpose. Any opinions expressed in this presentation are subject to change without notice and past performance is not indicative of future results. By attending this presentation, you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business.

This presentation and its contents are not and should not be construed as a prospectus or an offer document, including (as defined under the Companies Act, 2013, to the extent notified and in force) or an offer document under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. The information contained herein does not constitute or form part of an offer, solicitation, or invitation of an offer to purchase or subscribe, for securities nor shall it or any part of it form the basis of or be relied on in connection with any contract, commitment or investment decision in relation thereto.

By accessing this presentation, you accept that this disclaimer and any claims arising out of the use of the information from this presentation shall be governed by the laws of India and only the courts in Bangalore, and no other courts shall have jurisdiction over the same.

## Key Business Updates

Consolidated Overview

CA Grameen: Financial Metrics

MMFL: Financial Metrics

Investment Rationale

Annexure



## Business Growth Muted in Q1 FY23

### GLP: INR 15,615 Cr (+23.3% YoY, -5.9% QoQ)

- CA Grameen: INR 12,991 Cr (+22.3% YoY, -5.4% QoQ)
- MMFL: INR 2,624 Cr (+28.8% YoY, -8.5% QoQ)
- Write-off of INR 191.1 Cr (1.2% of Mar-22 GLP)

### Borrowers<sup>1</sup>: 36.9 Lakh (-2.5% YoY, -3.5% QoQ)

- CA Grameen: 28.5 Lakh (77,319 added in Q1 FY23)
- MMFL: 8.7 Lakh (15,323 added in Q1 FY23)
- 1.2 lakh borrowers were written-off during Q1 FY23

### Disbursements: INR 2,146 Cr (+101.5% YoY, -63.0% QoQ)

- CA Grameen: INR 1,861 Cr (+105.3% YoY, -60.0% QoQ)
- MMFL: INR 285 Cr (+79.8% YoY, -75.1% QoQ)

### Gradual pick-up in monthly collections (excl. arrears)

- CA Grameen: 97% in Jun-22, 97% in Q1 FY23
- MMFL: 93% in Jun-22, 93% in Q1 FY23

### Total 1,681 branches (CA Grameen: 1,207, MMFL: 474)

- 46 net branch additions in Q1 FY23 (CA Grameen: 43, MMFL: 3)

### Key focus areas during Q1 FY23

- Complete alignment with new RBI guidelines well in advance – changes to policies, processes and technology
- Training employees on policy & process changes
- Maintaining consistent collections trend

### Factors impacting disbursements during Q1 FY23

- Lower loan renewals due to minimal disbursals in Q1 FY21 & Q1 FY22
- Process changes and transition to revised RBI guidelines

### Normalization of disbursements in Jun-22

Muted growth in Q1 FY23 was in line with management estimation. The business momentum is expected to gain pace over the coming quarters.

Annual performance guidance remains intact

1) Excluding 32,522 common borrowers

# Q1 FY23: Key Consolidated Business Highlights (2/2)

## Consistently Improving Asset Quality

### CA Grameen:

- ECL: 2.73% against GNPA (GS3): 2.54% (largely @ 60+ dpd) & PAR 90+: 1.83%
- Only 0.9% restructured GLP, with 31.7% provisioning
- Write-off of INR 136.2 Cr, bad-debt recovery of INR 6.9 Cr in Q1 FY23

### MMFL:

- ECL: 4.33% against GNPA (GS3): 5.83% (@ 60+ dpd) & PAR 90+: 4.79%
- Only 0.2% restructured GLP, with 45.6% provisioning
- Write-off of INR 54.9 Cr, bad-debt recovery of INR 3.5 Cr in Q1 FY23

## Strong Balance Sheet Position

### Adequate Liquidity & continued support from lenders

- INR 1,542 Cr C&CE (9.3% of total assets) as on 30<sup>th</sup> June 2022
- INR 3,755 Cr undrawn sanctions as on 30<sup>th</sup> June 2022
- NR 5,393 Cr sanctions in the pipeline as on 30<sup>th</sup> June 2022

### Healthy Capital Position

- CRAR: CA Grameen 28.6% (Tier 1: 27.9%)
- CRAR: MMFL 22.6% (Tier 1: 14.4%)
- CRAR: Consolidated 24.7% (Tier 1: 24.0%)

## Ratings Update

### Credit Rating Upgrade

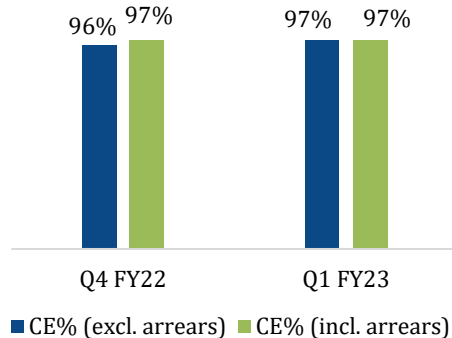
- Rating upgrade from Ind-Ra from A+ (Stable) to **AA- (Stable)**, making CA Grameen **one of the highest rated NBFC-MFI**
- Outlook upgrade from ICRA from A+ (Stable) to **A+ (Positive)**

### Client Protection Certification

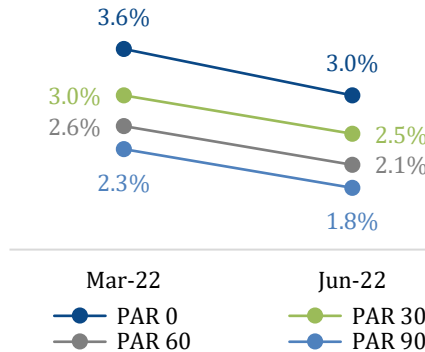
- CA Grameen has been awarded the **Gold Level Certification** by M-CRIL, according to the new client protection framework promoted by SPTF and CERISE

# Asset Quality Update (CA Grameen)

## Collections Trend



## PAR Trend



## Adequate Provisioning Coverage

INR Cr	CA Grameen Policy (IND-AS)			
Q1 FY23 Asset Classification (dpd)	EAD (INR Cr)	EAD%	ECL%	
Stage 1	0 – 15 (GL), 0 – 30 (RF)	11,784.9	96.5%	0.7%
Stage 2	16 – 60 (GL), 31 – 90 (RF)	119.2	1.0%	28.7%
Stage 3	60+ (GL), 90+ (RF)	310.7	2.5%	70.3%
<b>Total</b>		<b>12,214.8</b>	<b>100.0%</b>	<b>2.7%</b>
<b>GNPA (Gross Stage 3)</b>			<b>2.5%</b>	
<b>NNPA (Net Stage 3)</b>			<b>0.8%</b>	

EAD: Exposure at default includes principal and accrued interest

## Payment wise Breakup of EAD

Contribution of Borrowers as on Jun-22	Stage 1 EAD%	Stage 2 EAD%	Stage 3 EAD%	Total EAD%
Full Payment	96.2%	0.4%	0.3%	96.9%
Partial Payment	0.3%	0.3%	0.6%	1.2%
No Payment	0.0%	0.3%	1.6%	1.9%
<b>Total</b>	<b>96.5%</b>	<b>1.0%</b>	<b>2.5%</b>	<b>100.0%</b>

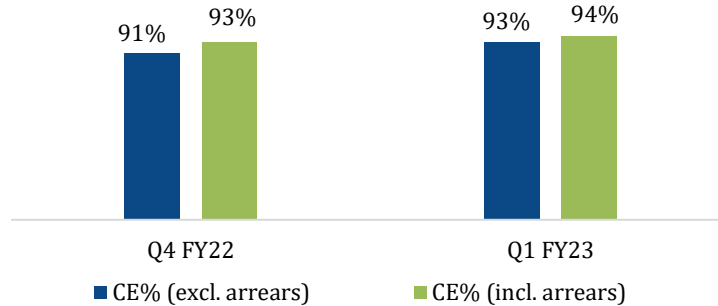
## Restructuring at 0.9% of GLP

Loan Restructuring (INR Cr)	Amount	GLP as on Jun-22	PAR 1-30	PAR 31-60	PAR 61-90	PAR 90+
Restructuring - FY21	77.1	15.0	0.4	0.4	0.3	4.1
Restructuring - FY22	143.6	96.5	2.4	1.7	1.9	28.0
Restructuring - Q1 FY23	0.4	0.4	0.0	0.0	0.0	0.0
<b>Total</b>	<b>221.1</b>	<b>112.0</b>	<b>2.8</b>	<b>2.1</b>	<b>2.2</b>	<b>32.1</b>

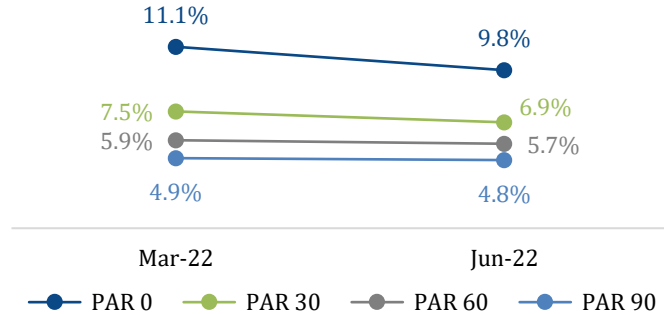
Note: Total provisioning on restructured loans is 31.7%

# Asset Quality Update (MMFL)

## Collections Trend



## PAR Trend



## Adequate Provisioning Coverage

INR Cr	CA Grameen Policy (IND-AS)			
Q1 FY23 Asset Classification (dpd)	EAD (INR Cr)	EAD%	ECL%	
Stage 1	0 – 15, 0 – 30	2,351.4	92.9%	1.1%
Stage 2	16 – 60, 31 – 90	32.6	1.3%	32.5%
Stage 3	60+	147.7	5.8%	49.6%
<b>Total</b>		<b>2,531.8</b>	<b>100.0%</b>	<b>4.3%</b>
<b>GNPA (Gross Stage 3)</b>			<b>5.8%</b>	
<b>NNPA (Net Stage 3)</b>			<b>3.0%</b>	

## Payment wise Breakup of EAD

Contribution of Borrowers as on Jun-22	Stage 1 EAD%	Stage 2 EAD%	Stage 3 EAD%	Total EAD%
Full Payment	89.9%	0.0%	0.0%	89.9%
Partial Payment	2.9%	1.2%	3.1%	7.2%
No Payment	0.1%	0.1%	2.7%	2.9%
<b>Total</b>	<b>92.9%</b>	<b>1.3%</b>	<b>5.8%</b>	<b>100.0%</b>

EAD: Exposure at default includes principal and accrued interest, Note: Total provisioning on restructured loans of INR 4.9 Cr is 45.6%

Key Business Updates

**Consolidated Results Overview**

CA Grameen: Financial Metrics

MMFL: Financial Metrics

Investment Rationale

Annexure



# Q1 FY23: Consolidated Performance Highlights

**GLP: INR 15,615 Cr**  
**(+23.3% YoY)**

**NIM**  
**11.2% / 11.8%<sup>1</sup>**  
**Weighted Avg. COB**  
**9.0%**

**Cost/Income Ratio**  
**39.7%**  
**Opex/GLP Ratio**  
**4.7%**

**PPOP**  
**INR 290 Cr**  
**(+33.9% YoY)**

**PAT: INR 140 Cr**  
**(+588.2% YoY)**

**ROA**  
**3.1%**  
**ROE**  
**13.4%**

**Capital Adequacy Ratio**  
**24.7%**  
**Tier 1 Ratio**  
**24.0%**

**Total Equity**  
**INR 4,246 Cr**  
**D/E Ratio**  
**2.8**

**GNPA (GS3): 3.11%**  
**NNPA: 1.15%**  
**PAR 90+: 2.33%**

**Provisioning**  
**3.01%**  
**Write-off**  
**INR 191 Cr**

**Branches 1,681**  
**(+18.0% YoY)**  
**15,642 Employees**  
**(+9.0% YoY)**

**Active Borrowers**  
**36.9 Lakh<sup>2</sup> (-2.5% YoY)**

- 1) Figures adjusted excluding impact of interest income (on Stage 3 portfolio) de-recognition of INR 21.9 Cr in Q1 FY23  
2) 1.2 lakh borrowers were written off during Q1 FY23 while 0.9 lakh new borrowers were added during the same period

# Q1 FY23: Consolidated P&L Statement

Profit & Loss Statement (INR Cr)	Q1 FY23	Q1 FY22	YoY%	Q4 FY22	QoQ%	FY22
Interest Income	736.2	587.3	25.4%	728.5	1.1%	2,567.3
- Interest on Loans <sup>1</sup>	727.6	575.6	26.4%	721.6	0.8%	2,533.0
- Income from Securitisation	0.0	0.4	-	0.0	-	0.6
- Interest on Deposits with Banks and FIs	8.7	11.3	-23.4%	6.8	27.2%	33.8
Income from Direct Assignment	5.1	14.7	-65.2%	58.3	-91.2%	70.0
Finance Cost on Borrowings	279.8	249.2	12.3%	267.2	4.7%	984.0
Cost on Financial Liability towards Securitisation	0.0	0.1	-	0.0	-	0.2
<b>Net Interest Income</b>	<b>461.5</b>	<b>352.7</b>	<b>30.9%</b>	<b>519.6</b>	<b>-11.2%</b>	<b>1,653.2</b>
Non-interest Income & Other Income <sup>2</sup>	19.2	15.4	24.8%	37.7	-49.2%	112.8
<b>Total Net Income</b>	<b>480.7</b>	<b>368.0</b>	<b>30.6%</b>	<b>557.3</b>	<b>-13.7%</b>	<b>1,766.0</b>
Employee Expenses	123.9	100.6	23.1%	112.2	10.4%	437.7
Other Expenses	55.2	39.7	38.9%	63.8	-13.5%	203.6
Depreciation, Amortisation & Impairment	11.9	11.2	6.0%	12.5	-4.4%	47.2
<b>Pre-Provision Operating Profit</b>	<b>289.7</b>	<b>216.4</b>	<b>33.9%</b>	<b>368.8</b>	<b>-21.4%</b>	<b>1,077.5</b>
Impairment of Financial Instruments	100.9	187.9	-46.3%	151.0	-33.2%	596.7
<b>Profit Before Tax</b>	<b>188.8</b>	<b>28.6</b>	<b>561.3%</b>	<b>217.8</b>	<b>-13.3%</b>	<b>480.8</b>
Total Tax Expense	49.2	8.3	495.5%	57.7	-14.6%	123.7
<b>Profit After Tax</b>	<b>139.6</b>	<b>20.3</b>	<b>588.2%</b>	<b>160.1</b>	<b>-12.8%</b>	<b>357.1</b>
Key Ratios	Q1 FY23	Q1 FY22		Q4 FY22		FY22
Portfolio Yield	18.3%	18.6%		18.4%		18.3%
Cost of Borrowings	9.0%	9.6%		8.9%		9.3%
NIM	11.2%	10.2%		11.3%		10.9%
Cost/Income Ratio	39.7%	41.2%		33.8%		39.0%
Opex/GLP Ratio	4.7%	4.6%		4.8%		4.9%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 21.9 Cr in Q1 FY23 (vs INR 21.3 Cr in Q1 FY22)

2) Bad debt recovery was INR 10.4 Cr in Q1 FY23 (vs INR 4.8 Cr in Q1 FY22)

# Q1 FY23: Consolidated Balance Sheet

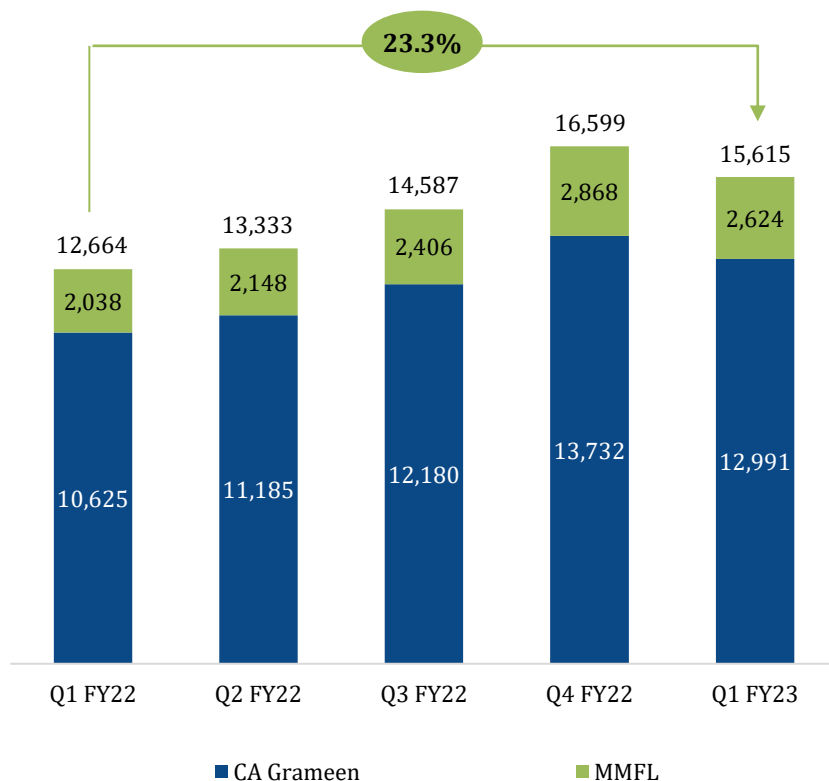
Balance Sheet (INR Cr)	Q1 FY23	Q1 FY22	YoY%	Q4 FY22	QoQ%	FY22
Cash & Other Bank Balances	1,369.2	2,221.9	-38.4%	1,761.4	-22.3%	1,761.4
Investment in MFs	172.6			0.0		0.0
Loans - Balance Sheet Assets (Net of Impairment Loss Allowance)	14,137.6	10,813.2	30.7%	14,765.3	-4.3%	14,765.3
Loans - Securitised Assets	0.0	8.2		0.0		0.0
Property, Plant and Equipment	30.6	23.7	29.3%	31.8	-3.8%	31.8
Intangible Assets	144.3	162.5	-11.2%	149.7	-3.6%	149.7
Right to Use Assets	73.1	69.6	5.0%	74.8	-2.2%	74.8
Other Financial & Non-Financial Assets	256.9	280.4	-8.4%	294.2	-12.7%	294.2
Goodwill	317.6	317.6	0.0%	317.6	0.0%	317.6
<b>Total Assets</b>	<b>16,501.9</b>	<b>13,897.1</b>	<b>18.7%</b>	<b>17,394.8</b>	<b>-5.1%</b>	<b>17,394.8</b>
Debt Securities	1,176.2	1,670.2	-29.6%	1,418.1	-17.1%	1,418.1
Borrowings (other than debt securities)	10,624.3	8,001.4	32.8%	11,424.9	-7.0%	11,424.9
Subordinated Liabilities	79.5	104.5	-23.9%	77.7	2.3%	77.7
Financial Liability towards Portfolio Securitized	0.0	2.7		0.0		0.0
Lease Liabilities	84.4	78.4	7.7%	85.0	-0.7%	85.0
Other Financial & Non-financial Liabilities	291.1	222.1	31.1%	313.0	-7.0%	313.0
<b>Total Equity</b>	<b>4,146.1</b>	<b>3,715.1</b>	<b>11.6%</b>	<b>3,977.6</b>	<b>4.2%</b>	<b>3,977.6</b>
Minority Interest	100.2	102.6	-2.4%	98.4	1.8%	98.4
<b>Total Liabilities and Equity</b>	<b>16,501.9</b>	<b>13,897.1</b>	<b>18.7%</b>	<b>17,394.8</b>	<b>-5.1%</b>	<b>17,394.8</b>
Key Ratios	Q1 FY23	Q1 FY22		Q4 FY22		FY22
ROA	3.1%	0.5%		3.7%		2.2%
D/E	2.8	2.6		3.2		3.2
ROE	13.4%	2.1%		15.9%		9.1%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	3.11%	7.56%		3.61%		3.61%
Provisioning	3.01%	6.30%		3.44%		3.44%

# Q1 FY23: Understanding the Credit Cost Impact

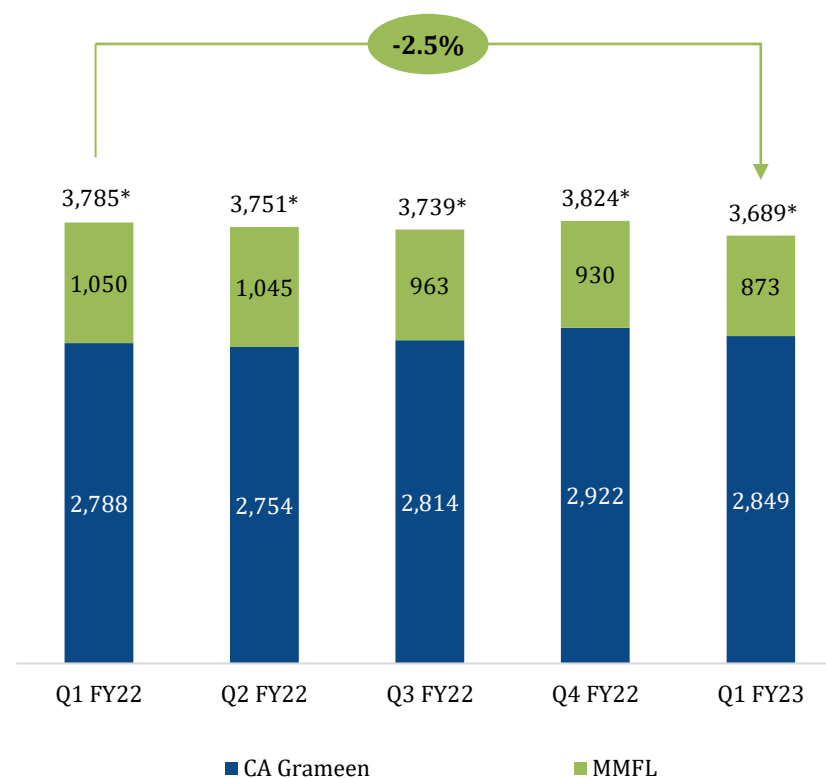
Consolidated (INR Cr)	Q1 FY23	FY22
Opening ECL - (A)	533.9	622.6
Additions (B)		
- Provisions as per ECL	39.0	379.9
Reversals (on account of write-off) (C)	129.2	476.8
Closing ECL (D = A+B-C)	443.7	533.9
Write-off (E)	191.1	693.6
<b>Credit Cost (F = B-C+E)</b>	<b>100.9</b>	<b>596.7</b>
<b>Credit Cost (Provisions + Write-offs) - % of Avg. On-Book Loan Portfolio (non-annualised)</b>	<b>0.7%</b>	<b>4.6%</b>
Bad-Debt Recovery (G)	10.4	74.1
<b>Net P&amp;L Impact (F - G)</b>	<b>90.5</b>	<b>522.6</b>
<b>Net P&amp;L Impact - % of Avg. On-Book Loan Portfolio (non-annualised)</b>	<b>0.6%</b>	<b>4.0%</b>

# Q1 FY23: Continued Business Traction with Rural Focus

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



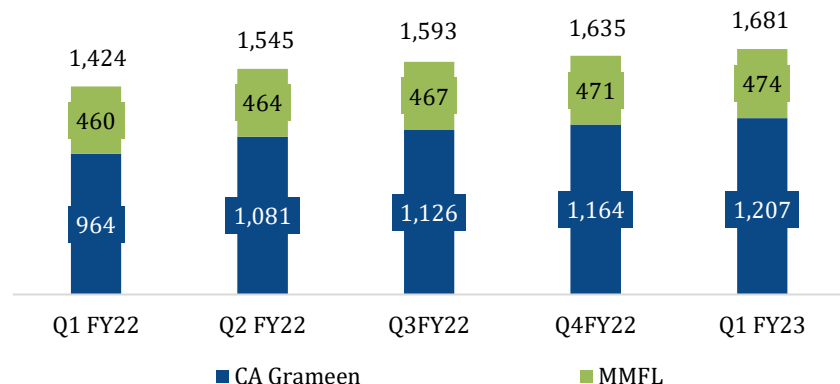
**Borrowers ('000)**



\* Excluding common borrowers

# Q1 FY23: Consistent Growth in Infrastructure

## Branches

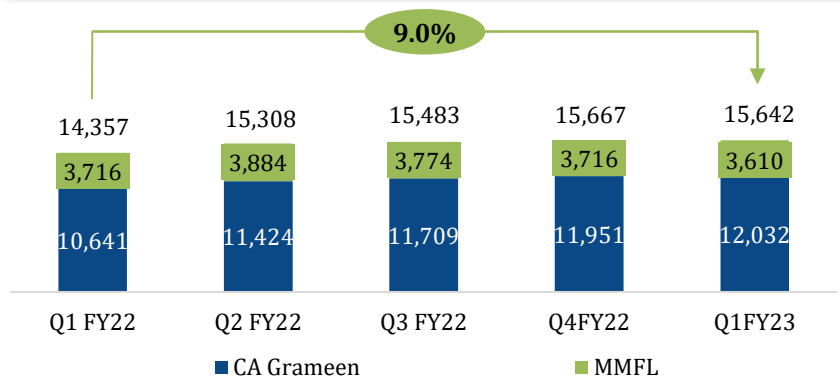


## 257 Net Branch Additions over last Four Quarters

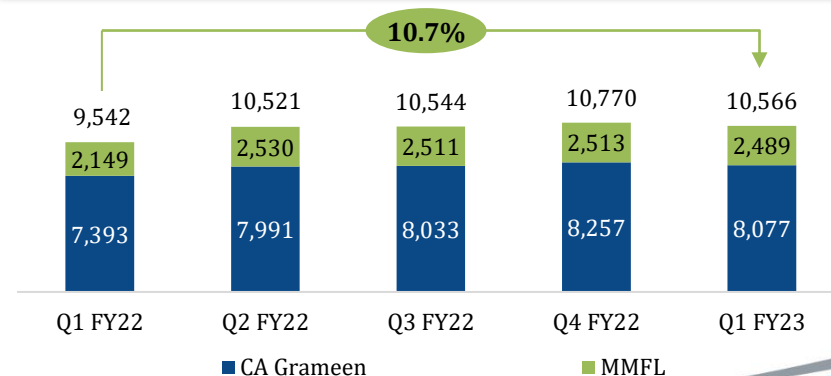
States	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Bihar	15	20	-	10
Chhattisgarh	5	-	-	2
Gujarat	10	12	6	5
Jharkhand	10	-	-	5
Madhya Pradesh	10	-	10	1
Karnataka	-	-	10	-
Kerala	5	-	1	-
Maharashtra	5	-	1	9
Odisha	5	4	-	-
Rajasthan	17	8	10	6
Tamil Nadu	-	1	0	-4 *
Uttar Pradesh	35	-	-	5
West Bengal	4	3	4	7
<b>Total</b>	<b>121</b>	<b>48</b>	<b>42</b>	<b>46</b>

\* At MMFL, 2 branches were merged, and 2 BC branches were closed

## Employees

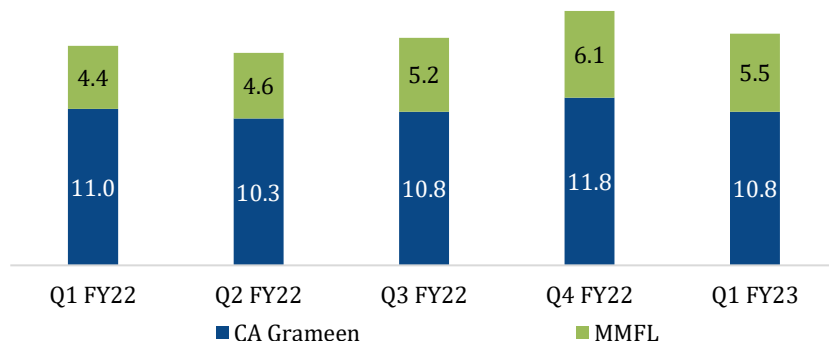


## Loan Officers

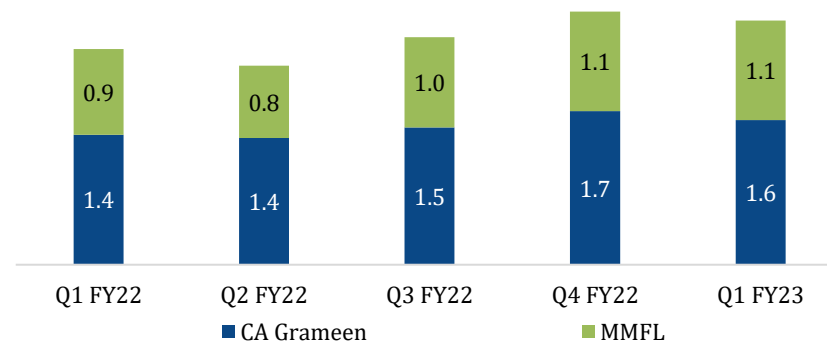


# Q1 FY23: Sustainable Operational Efficiency

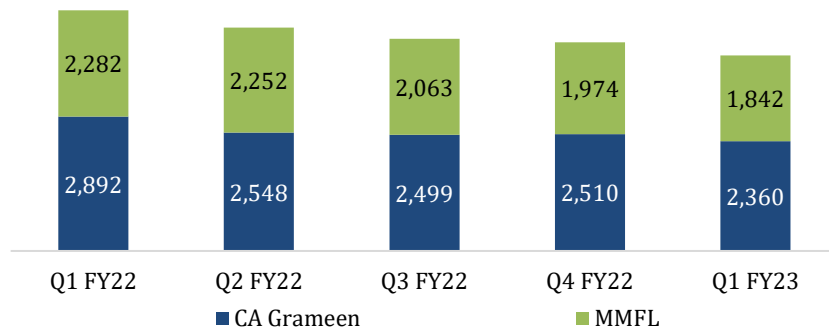
**GLP / Branch (INR Cr)**



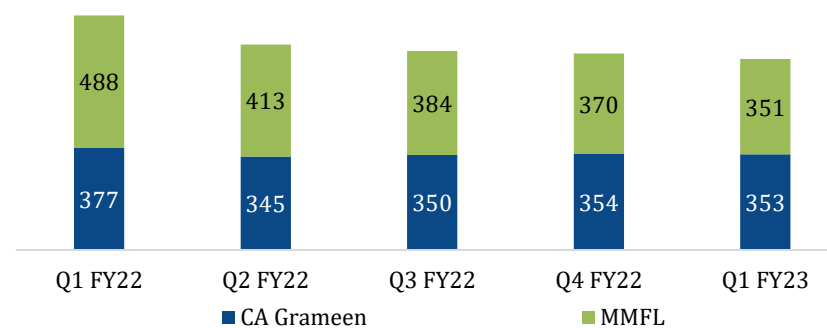
**GLP / Loan Officer (INR Cr)**



**Borrowers / Branch**



**Borrowers / Loan Officer**



# Q1 FY23: Product Range To Meet Diverse Customer Needs

GLP - Product Mix	Q1 FY22		Q2 FY22		Q3 FY22		Q4 FY22		Q1 FY23	
	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total
IGL (Incl. MMFL)	11,962	94%	12,613	95%	13,894	95%	15,949	96%	14,937	96%
Family Welfare	32	0%	55	0%	59	0%	38	0%	121	0.8%
Home Improvement	297	2%	331	3%	371	3%	414	3%	408	2.6%
Emergency	1	0%	3	0%	1	0%	3	0%	4	0%
Retail Finance	372	3%	330	2%	263	2%	196	1%	145	1%
<b>Total</b>	<b>12,664</b>	<b>100%</b>	<b>13,333</b>	<b>100%</b>	<b>14,587</b>	<b>100%</b>	<b>16,599</b>	<b>100%</b>	<b>15,615</b>	<b>100%</b>

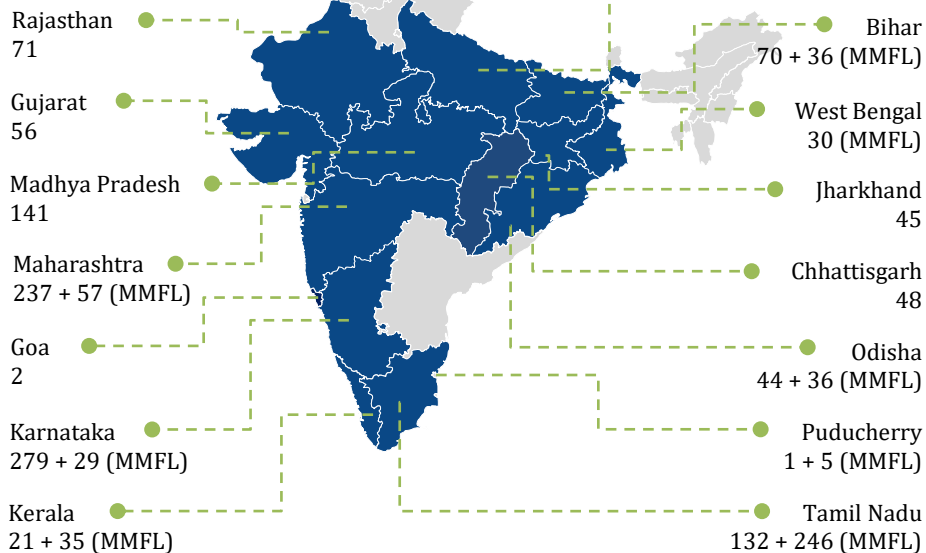
GLP – Avg. O/S Per Loan (INR '000)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
IGL (Incl. MMFL)	24.6	26.6	29.5	32.1	30.3
Family Welfare	3.4	4.5	4.5	3.7	9.4
Home Improvement	8.5	9.3	9.6	10.0	9.7
Emergency	0.5	0.9	0.6	0.6	0.8
Retail Finance	56.1	52.9	48.9	47.2	48.8
<b>Total</b>	<b>23.5</b>	<b>25.1</b>	<b>27.6</b>	<b>29.8</b>	<b>28.1</b>

GLP – Avg. O/S Per Borrower (INR '000)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
CA Grameen	38.1	40.6	43.3	47.0	45.6
MMFL	19.4	20.6	24.9	30.8	30.1
<b>Total</b>	<b>33.4</b>	<b>35.5</b>	<b>39.0</b>	<b>43.4</b>	<b>42.3</b>

# Q1 FY23: Well-Diversified Presence Across India

## Our Presence as on Mar-22

14 States & 1 UT  
332 Districts  
1,681 Branches



Consolidated Exposure of Districts (% of GLP)	Q1 FY23	
	No. of Districts	% of Total Districts
< 0.5%	271	81%
0.5% - 1%	35	11%
1% - 2%	22	7%
2% - 4%	4	1%
> 4%	0	0%
<b>Total</b>	<b>332</b>	<b>100%</b>

Consolidated District in terms of GLP	Q1 FY23	
	% of Total GLP	
Top 1	3%	
Top 3	9%	
Top 5	13%	
Top 10	21%	
Other	79%	

Q1 FY23 Consolidated	Branches	% Share	Borrowers ('000)	% Share	GLP (INR Cr)	% Share
Karnataka	308	18.3%	1,026	27.8%	5,589	35.8%
Maharashtra	294	17.5%	758	20.5%	3,309	21.2%
Tamil Nadu	378	22.5%	862	23.4%	3,260	20.9%
Madhya Pradesh	141	8.4%	301	8.2%	1,115	7.1%
Other States & UT	560	33.3%	743	20.1%	2,343	15.0%
<b>Total</b>	<b>1,681</b>	<b>100.0%</b>	<b>3,689*</b>	<b>100.0%</b>	<b>15,615</b>	<b>100.0%</b>

\* Excluding 32,522 Common Borrowers

Key Business Updates

Consolidated Results Overview

**CA Grameen: Financial Metrics**

MMFL: Financial Metrics

Investment Rationale

Annexure



# Q1 FY23: CA Grameen Standalone Performance Highlights

**GLP: INR 12,991 Cr**  
**(+22.3% YoY)**

**NIM**  
**11.2%/ 11.7%<sup>1</sup>**  
**Weighted Avg. COB**  
**9.0%**

**Cost/Income Ratio**  
**37.9%**  
**Opex/GLP Ratio**  
**4.5%**

**PPOP**  
**INR 246 Cr**  
**(+24.7% YoY)**

**PAT: INR 133 Cr**  
**(+348.2% YoY)**

**ROA**  
**3.4%**  
**ROE**  
**13.2%**

**Capital Adequacy Ratio**  
**28.6%**  
**Tier 1 Ratio**  
**27.9%**

**Total Equity**  
**INR 4,103 Cr**  
**D/E Ratio**  
**2.4**

**GNPA (GS3): 2.54%**  
**NNPA: 0.77%**  
**PAR 90+: 1.83%**

**Provisioning**  
**2.73%**  
**Write-off**  
**INR 136 Cr**

**Branches 1,207**  
**(+25.2% YoY)**  
**12,032 Employees**  
**(+13.1% YoY)**

**Active Borrowers**  
**28.5 Lakh<sup>2</sup> (+2.2% YoY)**

- 1) Figures adjusted excluding impact of interest income (on Stage 3 portfolio) de-recognition of INR 17.6 Cr in Q1 FY23  
2) 42,551 borrowers were written off during Q1 FY23 while 77,319 new borrowers were added during the same period

# Q1 FY23: CA Grameen Standalone P&L Statement

Profit & Loss Statement (INR Cr)	Q1 FY23	Q1 FY22	YoY%	Q4 FY22	QoQ%	FY22
Interest Income	607.3	483.6	25.6%	604.3	0.5%	2,124.8
- Interest on Loans <sup>1</sup>	599.9	475.3	26.2%	599.2	0.1%	2,099.3
- Interest on Deposits with Banks and FIs	7.5	8.3	-9.9%	5.1	46.6%	25.5
Income from Direct Assignment	-1.4	14.7	-109.5%	58.3	-102.4%	70.0
Finance Cost on Borrowings	225.6	196.3	14.9%	216.5	4.2%	788.1
<b>Net Interest Income</b>	<b>380.3</b>	<b>301.9</b>	<b>26.0%</b>	<b>446.0</b>	<b>-14.7%</b>	<b>1,406.6</b>
Non-interest Income & Other Income <sup>2</sup>	15.3	12.8	19.3%	31.3	-51.1%	96.4
<b>Total Net Income</b>	<b>395.6</b>	<b>314.8</b>	<b>25.7%</b>	<b>477.3</b>	<b>-17.1%</b>	<b>1,503.1</b>
Employee Expenses	99.2	80.1	23.9%	91.5	8.4%	353.5
Other Expenses	43.9	31.7	38.8%	47.2	-6.9%	161.3
Depreciation, Amortisation & Impairment	6.8	6.1	12.6%	7.3	-6.8%	26.2
<b>Pre-Provision Operating Profit</b>	<b>245.7</b>	<b>197.0</b>	<b>24.7%</b>	<b>331.3</b>	<b>-25.8%</b>	<b>962.1</b>
Impairment of Financial Instruments	66.3	156.3	-57.5%	128.3	-48.3%	449.4
<b>Profit Before Tax</b>	<b>179.3</b>	<b>40.7</b>	<b>340.6%</b>	<b>203.0</b>	<b>-11.7%</b>	<b>512.6</b>
Total Tax Expense	46.8	11.1	320.4%	51.6	-9.4%	130.5
<b>Profit After Tax</b>	<b>132.6</b>	<b>29.6</b>	<b>348.2%</b>	<b>151.4</b>	<b>-12.4%</b>	<b>382.1</b>
Key Ratios	Q1 FY23	Q1 FY22		Q4 FY22		FY22
Portfolio Yield	18.4%	18.4%		18.5%		18.3%
Cost of Borrowings	9.0%	9.3%		8.8%		9.2%
NIM	11.2%	10.5%		11.5%		11.1%
Cost/Income Ratio	37.9%	37.4%		30.6%		36.0%
Opex/GLP Ratio	4.5%	4.3%		4.5%		4.6%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 17.6 Cr in Q1 FY23 (vs INR 19.9 Cr in Q1 FY22)

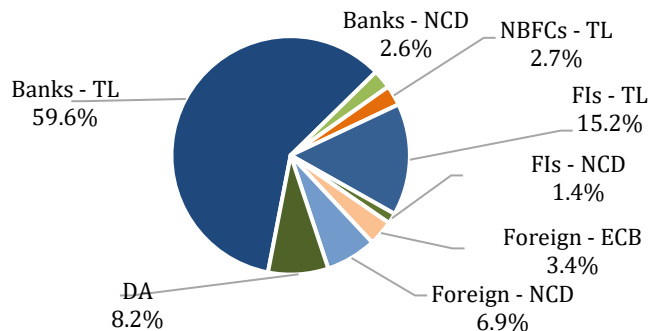
2) Bad debt recovery was INR 6.9 Cr in Q1 FY23 (vs INR 3.4 Cr in Q1 FY22)

# Q1 FY23: CA Grameen Standalone Balance Sheet

Balance Sheet (INR Cr)	Q1 FY23	Q1 FY22	YoY%	Q4 FY22	QoQ%	FY22
Cash & Other Bank Balances	1,122.8	1,800.4	-37.6%	1,534.3	-26.8%	1,534.3
Investment in MFs	172.6	0.0	-	0.0	-	0.0
Loans - Balance Sheet Assets (Net of Impairment Loss Allowance)	11,865.1	8,977.2	32.2%	12,201.6	-2.8%	12,201.6
Property, Plant and Equipment	25.3	17.9	41.2%	26.1	-3.4%	26.1
Intangible Assets	16.3	17.3	-5.9%	17.4	-6.3%	17.4
Right to Use Assets	73.0	68.9	6.0%	74.6	-2.1%	74.6
Other Financial & Non-Financial Assets	235.1	287.3	-18.1%	277.8	-15.4%	277.8
Investment in MMFL	663.3	662.7	0.1%	663.3	0.0%	663.3
<b>Total Assets</b>	<b>14,173.4</b>	<b>11,831.7</b>	<b>19.8%</b>	<b>14,795.1</b>	<b>-4.2%</b>	<b>14,795.1</b>
Debt Securities	1,175.7	1,538.2	-23.6%	1,372.8	-14.4%	1,372.8
Borrowings (other than debt securities)	8,550.7	6,315.2	35.4%	9,112.3	-6.2%	9,112.3
Subordinated Liabilities	0.0	25.0	-100%	0.0	-	0.0
Lease Liabilities	84.4	77.7	8.7%	84.8	-0.5%	84.8
Other Financial & Non-financial Liabilities	260.1	210.3	23.7%	285.4	-8.9%	285.4
<b>Total Equity</b>	<b>4,102.5</b>	<b>3,665.4</b>	<b>11.9%</b>	<b>3,939.8</b>	<b>4.1%</b>	<b>3,939.8</b>
<b>Total Liabilities and Equity</b>	<b>14,173.4</b>	<b>11,831.7</b>	<b>19.8%</b>	<b>14,795.1</b>	<b>-4.2%</b>	<b>14,795.1</b>
Key Ratios	Q1 FY23	Q1 FY22		Q4 FY22		FY22
ROA	3.4%	0.9%		4.0%		2.7%
D/E	2.4	2.1		2.7		2.7
ROE	13.2%	3.2%		15.5%		10.1%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	2.54%	8.12%		3.12%		3.12%
Provisioning	2.73%	6.40%		3.19%		3.19%

# Q1 FY23: Well-Diversified Liability Mix

## Liability Mix - Institution / Instrument Wise (%)

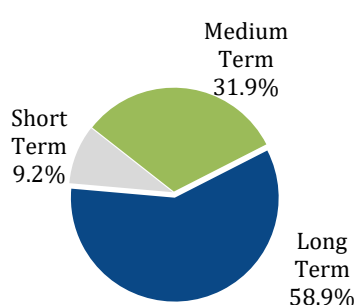


Note: O/S Direct Assignment (Sold Portion) - INR 856.5 Cr

## Focus on dynamic liability management

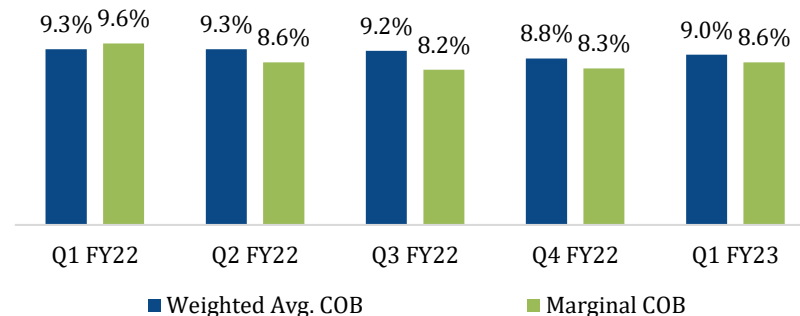
- Focus on long-term funding with strong diversification between domestic & foreign sources
- Target to meet funding requirements through foreign/long-term sources over the medium term, with diversified products
- Diverse lenders' base:
  - 39 Commercial Banks, 2 Financial Institutions, 7 Foreign Institutional Investors, 4 NBFCs
- Continued focus to minimize the cost of borrowings

## Liability Mix - Tenure Wise (%)



	Source	% Mix
Short Term <= 1 year (incl. DA)	Domestic	9.2%
	Foreign	0.3%
Medium Term > 1 year, <= 2 years	Domestic	31.6%
	Foreign	0.3%
Long Term > 2 years	Domestic	48.6%
	Foreign	10.3%

## Cost of Borrowing (%)



# Q1 FY23: Stable Liquidity/ ALM Position/ Credit Ratings

Static Liquidity / ALM Position Particulars (INR Cr)	For the Month			For the Financial Year	
	July-22	Aug-22	Sep-22	FY23	FY24
Opening Cash & Equivalents (A)	1,343.0	1,176.0	1,443.7	1,569.8	2,762.7
Loan recovery [Principal] (B)	755.5	825.3	787.9	6,543.0	5,160.9
<b>Total Inflow (C=A+B)</b>	<b>2,098.5</b>	<b>2,001.2</b>	<b>2,231.6</b>	<b>8,112.8</b>	<b>7,923.6</b>
Borrowing Repayment [Principal]					
Term loans and Others (D)	647.1	427.9	526.3	4,101.2	2,992.1
NCDs (E)	132.5	0.0	0.0	303.7	603.5
Direct Assignment (F)	143.0	129.6	135.5	945.4	333.6
<b>Total Outflow G=(D+E+F)</b>	<b>922.6</b>	<b>557.5</b>	<b>661.8</b>	<b>5,350.2</b>	<b>3,929.2</b>
Closing Cash & equivalents (H= C-G)	1,176.0	1,443.7	1,569.8	2,762.6	3,994.3
<b>Static Liquidity (B-G)</b>	<b>-167.1</b>	<b>267.8</b>	<b>126.1</b>	<b>1,192.8</b>	<b>1,231.7</b>

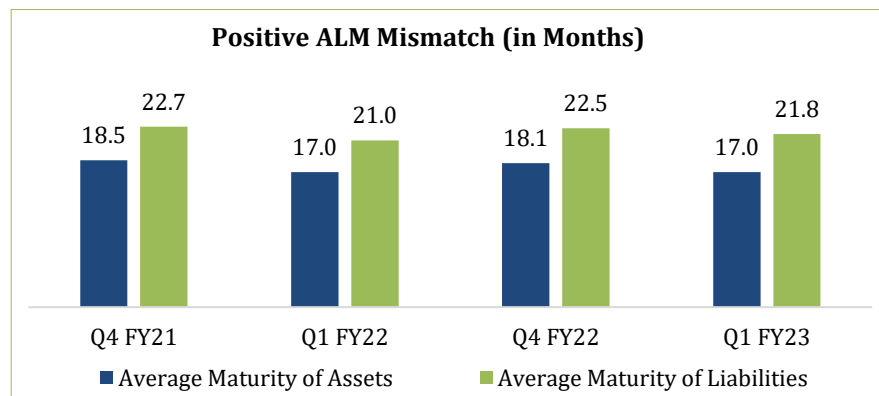
Debt Drawdowns (INR Cr)	Q1 FY23
Banks – TL	405.0
FIs	0.0
NBFCs	0.0
ECB	155.2
DA	0.0
<b>Total</b>	<b>560.2</b>

Undrawn Sanctions as on 30<sup>th</sup> June 2022

INR 3,408 Cr (19% International)

Sanctions in the pipeline as on 30<sup>th</sup> June 2022

INR 4,443 Cr (24% International)

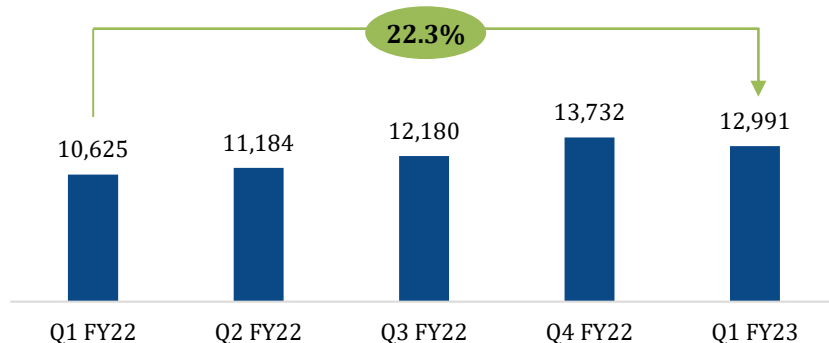


Rating Instrument	Rating Agency	Rating/Grading
Bank Facilities	Ind-Ra	AA- (Stable)
	ICRA	A+ (Positive)
	CRISIL	A+ (Stable)
Non-Convertible Debentures	Ind-Ra	AA- (Stable)
	ICRA	A+ (Positive)
	CRISIL	A+ (Stable)
Commercial Paper	ICRA	A1+
Comprehensive Microfinance Grading *	CRISIL	M1C1
Client Protection Certification	M-CRIL	Gold Level

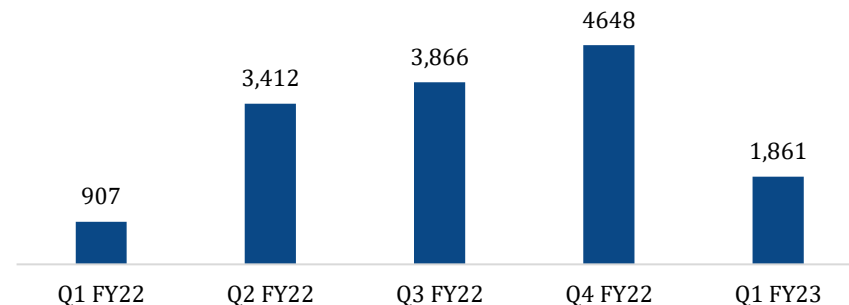
\* Institutional Grading/Code of Conduct Assessment (COCA)

# Q1 FY23: Robust Quarterly Performance Trend (1/2)

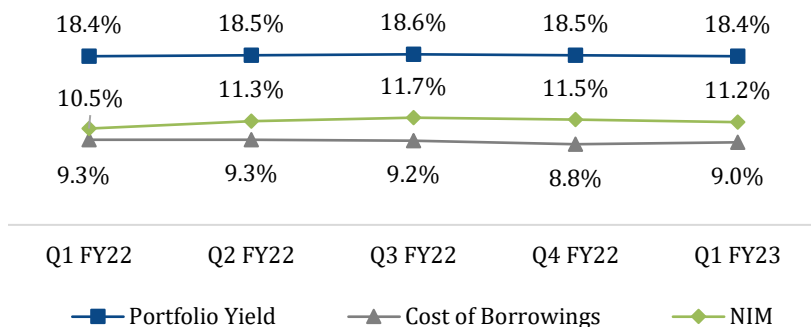
## Gross Loan Portfolio (GLP) (INR Cr)



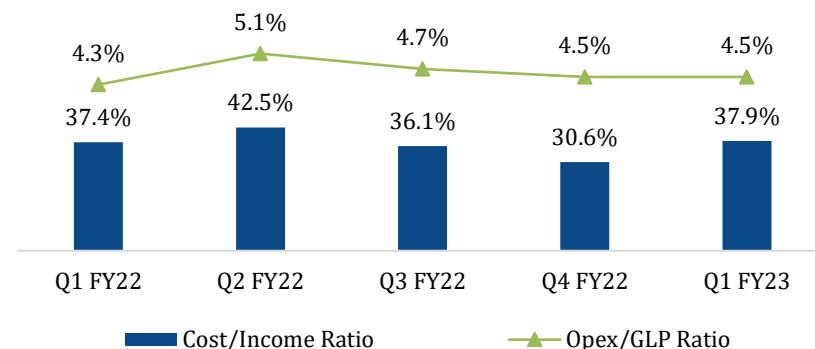
## Disbursements (INR Cr)



## Margin Analysis (%)

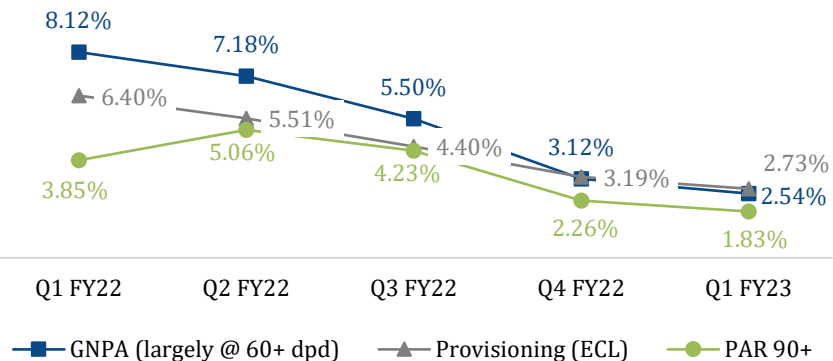


## Operating Efficiency (%)

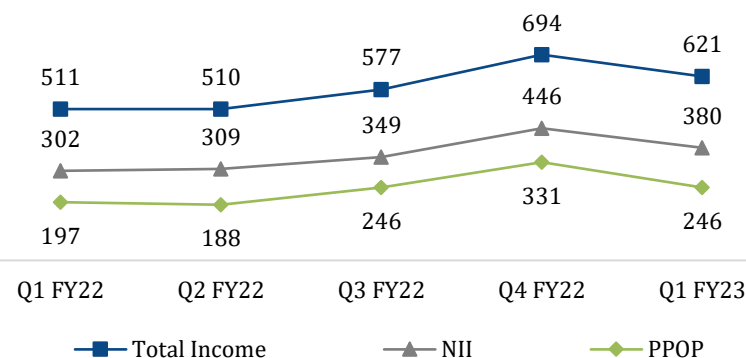


# Q1 FY23: Robust Quarterly Performance Trend (2/2)

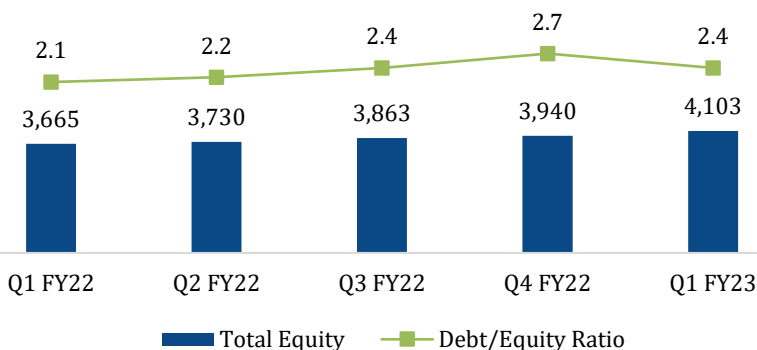
## Asset Quality (%)



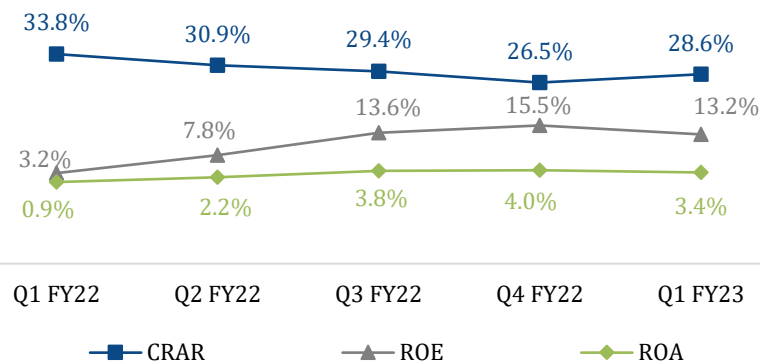
## Total Income, NII, PPOP (INR Cr)



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



## Return Ratios & Capital Adequacy (%)



Key Business Updates

Consolidated Results Overview

CA Grameen: Financial Metrics

**MMFL: Financial Metrics**

Investment Rationale

Annexure



# Q1 FY23: MMFL Performance Highlights

**GLP**  
INR 2,624 Cr  
(28.8% YoY)

**NIM**  
9.9% / 10.6<sup>1</sup>  
**Weighted Avg. COB**  
9.7%

**Cost/Income Ratio**  
43.4%  
**Opex/GLP Ratio**  
5.4%

**PPOP**  
INR 48 Cr  
(104.4%)

**PAT**  
INR 10 Cr  
(262.6% YoY)

**ROA**  
1.4%

**ROE**  
10.3%

**Capital Adequacy Ratio**  
22.6%

**Tier 1 Ratio**  
14.4%

**Total Equity**  
INR 398 Cr

**D/E Ratio**  
5.8x

**GNPA (GS3): 5.83%**

**NNPA: 3.03%**

**PAR 90+: 4.79%**

**Provisioning**  
4.33%

**Write-off**  
55 Cr

**Branches 474**  
(3.0% YoY)

**Employees 3,610**  
(-2.9% YoY)

**Active Borrowers**  
8.7 Lakh<sup>2</sup>  
(-16.8%)

- 1) Figures adjusted excluding impact of interest income (on Stage 3 portfolio) de-recognition of INR 4.3 Cr in Q1 FY23  
2) 76,786 borrowers were written off during Q1 FY23 while 15,323 new borrowers were added during the same period

# Q1 FY23: MMFL P&L Statement

Profit & Loss Statement (INR Cr)	Q1 FY23	Q1 FY22	YoY%	Q4 FY22	QoQ %	FY22
Interest Income	134.0	103.7	29.1%	127.8	4.9%	446.1
- Interest on Loans	132.8	100.3	32.4%	126.1	5.3%	437.3
- Income from Securitisation	0.0	0.5	-100.0%	0.0	-	0.6
- Interest on Deposits with Banks and FIs	1.2	3.0	-60.4%	1.7	-29.0%	8.3
Income from Direct Assignment	6.5	0.0	-	0.0	-	0.0
Finance Cost on Borrowings	59.2	52.9	12.1%	54.9	7.8%	201.0
Cost on Financial Liability towards Securitisation	0.0	0.2	-100.0%	0.0	-	0.2
<b>Net Interest Income</b>	<b>81.2</b>	<b>50.7</b>	<b>60.1%</b>	<b>72.8</b>	<b>11.5%</b>	<b>244.9</b>
Non-interest Income & Other Income	4.0	3.4	17.9%	6.6	-40.0%	16.7
<b>Total Net Income</b>	<b>85.2</b>	<b>54.1</b>	<b>57.5%</b>	<b>79.4</b>	<b>7.3%</b>	<b>261.6</b>
Employee Expenses	24.7	20.6	20.1%	20.9	18.5%	84.1
Other Expenses	11.3	8.9	27.5%	12.7	-11.0%	42.6
Depreciation, Amortisation & Impairment	1.0	1.1	-8.5%	1.1	-8.5%	4.6
<b>Pre-Provision Operating Profit</b>	<b>48.2</b>	<b>23.6</b>	<b>104.4%</b>	<b>44.8</b>	<b>7.6%</b>	<b>130.3</b>
Impairment of Financial Instruments	34.6	31.6	9.4%	22.7	52.3%	147.3
<b>Profit Before Tax</b>	<b>13.6</b>	<b>-8.0</b>	<b>269.4%</b>	<b>22.1</b>	<b>-38.4%</b>	<b>-17.0</b>
Total Tax Expense	3.5	-1.8	292.6%	6.9	-49.2%	-3.1
<b>Profit After Tax</b>	<b>10.1</b>	<b>-6.2</b>	<b>262.6%</b>	<b>15.2</b>	<b>-33.5%</b>	<b>-13.9</b>
Key Ratios	Q1 FY23	Q1 FY22		Q4 FY22		FY22
Portfolio Yield	18.8%	19.5%		18.4%		18.6%
Cost of Borrowings	9.7%	10.6%		9.6%		10.2%
NIM	9.9%	8.9%		10.0%		9.7%
Cost/Income Ratio	43.4%	56.4%		43.6%		50.2%
Opex/GLP Ratio	5.4%	5.7%		5.3%		5.6%

1) Interest income (on Stage 3 portfolio) derecognized was INR 4.3 Cr in Q1 FY23 (vs INR 1.4 Cr in Q1 FY22)

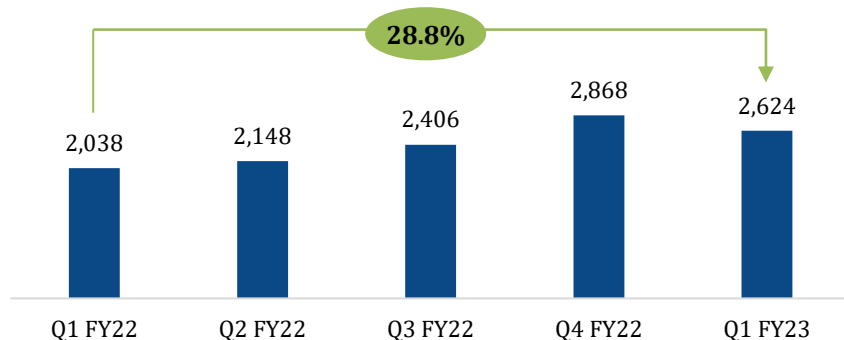
2) Bad debt recovery was INR 3.5 Cr in Q1 FY23 (vs INR 1.3 Cr in Q1 FY22)

# Q1 FY23: MMFL Balance Sheet

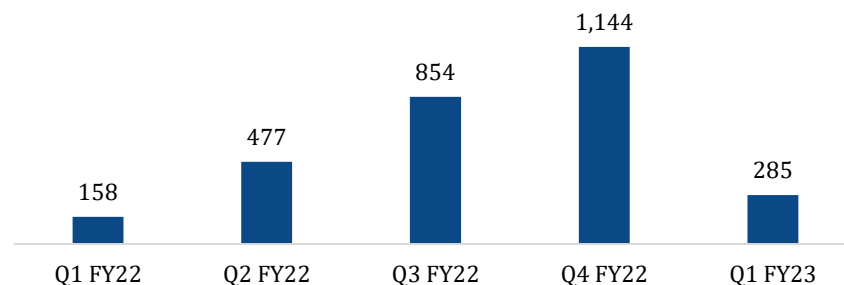
Balance Sheet (INR Cr)	Q1 FY23	Q1 FY22	YOY%	Q4 FY22	QoQ %	FY22
Cash & Other Bank Balances	244.6	421.7	-42.0%	227.0	7.7%	227.0
Balance Sheet Assets (Net of Impairment Loss Allowance)	2,422.1	1,836.1	31.9%	2,713.3	-10.7%	2,713.3
Securitised Assets	0.0	8.2	-100.0%	0.0	-	0.0
Property, Plant and Equipment	5.3	5.8	-8.1%	5.6	-5.5%	5.6
Intangible Assets	2.7	3.5	-24.0%	2.9	-7.3%	2.9
Right to Use Assets	0.0	0.6	-93.8%	0.1	-71.4%	0.1
Other Financial & Non-Financial Assets	54.8	46.3	18.4%	49.2	11.4%	49.2
<b>Total Assets</b>	<b>2,729.6</b>	<b>2,322.3</b>	<b>17.5%</b>	<b>2,998.2</b>	<b>-9.0%</b>	<b>2,998.2</b>
Debt Securities	0.0	132.0	-100.0%	44.8	-	44.8
Borrowings (other than debt securities)	2,073.6	1,684.3	23.1%	2,312.5	-10.3%	2,312.5
Subordinated Liabilities	226.4	76.7	195.0%	224.5	0.8%	224.5
Financial Liability towards Portfolio Securitised	0.0	2.7	-	0.0	-	0.0
Lease Liabilities	0.1	0.8	-93.5%	0.2	-72.2%	0.2
Other Financial & Non-financial Liabilities	31.3	30.6	2.5%	28.4	10.2%	28.4
Total Equity	<b>398.3</b>	<b>395.2</b>	<b>0.8%</b>	<b>387.7</b>	<b>2.7%</b>	<b>387.7</b>
<b>Total Liabilities and Equity</b>	<b>2,729.6</b>	<b>2,322.3</b>	<b>17.5%</b>	<b>2,998.2</b>	<b>-9.0%</b>	<b>2,998.2</b>
Key Ratios	Q1 FY23	Q1 FY22		Q4 FY22		FY22
ROA	1.4%	-1.0%		2.2%		-0.5%
D/E	5.8	4.8		6.7		6.7
ROE	10.3%	-6.2%		16.0%		-3.6%
GNPA (60+ dpd beginning from Q2 FY22)	5.83%	4.76%		5.82%		5.82%
Provisioning	4.33%	5.79%		4.57%		4.57%

# Q1 FY23: MMFL Quarterly Performance Trend (1/2)

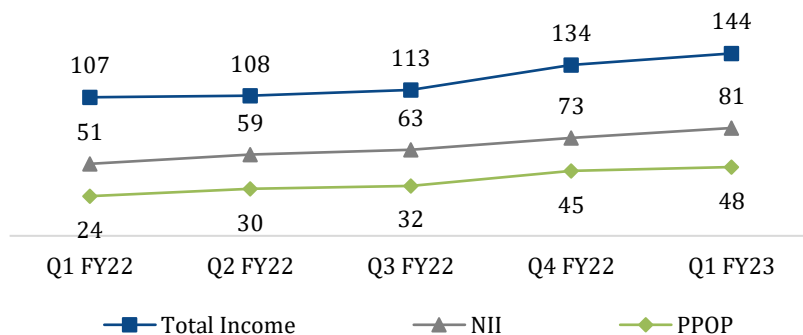
Gross Loan Portfolio (GLP) (INR Cr)



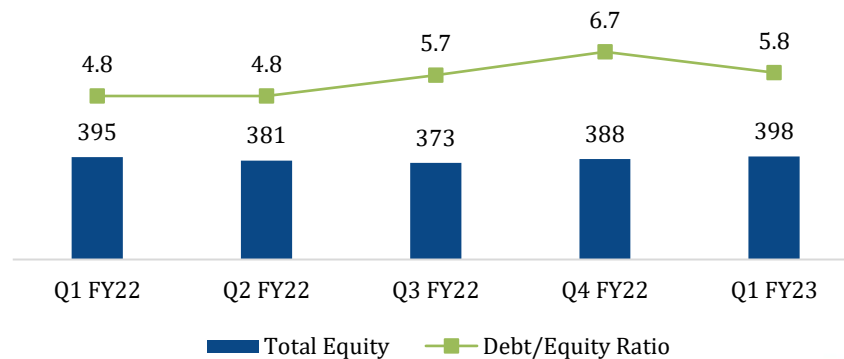
Disbursements (INR Cr)



Total Income, NII, PPOP (INR Cr)

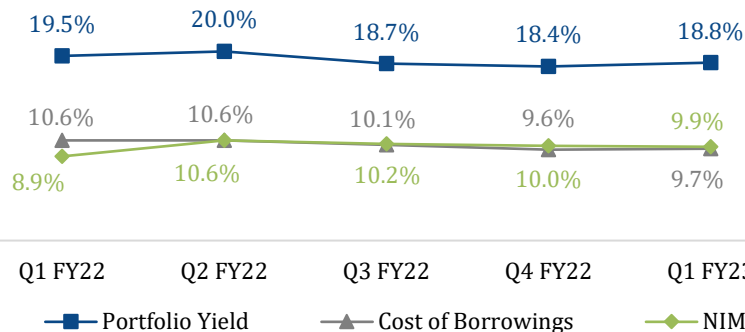


Total Equity (INR Cr) & Debt/Equity Ratio

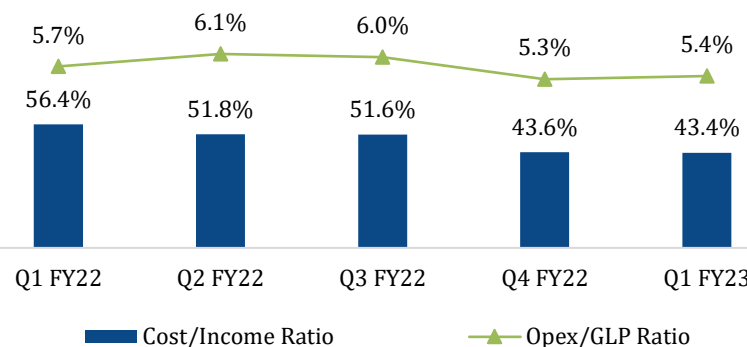


# Q1 FY23: MMFL Quarterly Performance Trend (2/2)

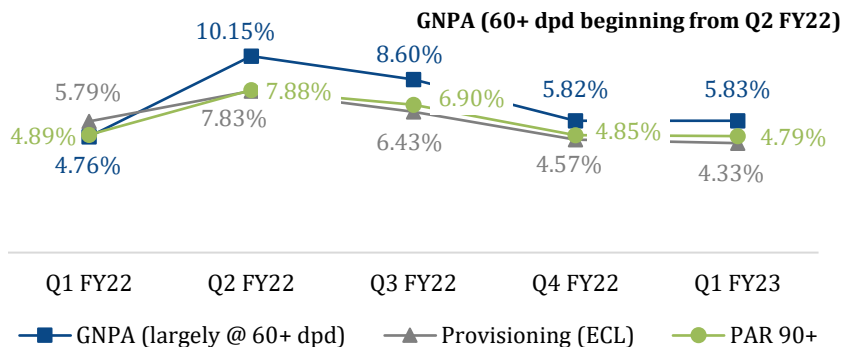
## Margin Analysis (%)



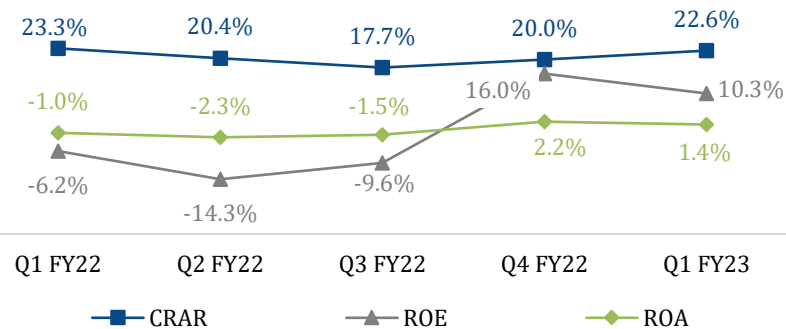
## Operating Efficiency (%)



## Asset Quality (%)



## Return Ratios & Capital Adequacy (%)



# Q1 FY23: MMFL Diversified Liability, Stable Liquidity, Positive ALM

Liability Mix – Institution / Instrument Wise	Q1 FY23
Banks – Term Loan	71.6%
FIs – Term Loan	8.4%
NBFCs – Term Loan	6.6%
Sub-Debt	9.4%
Direct Assignment <sup>1</sup>	4.0%

1) O/S Direct Assignment (Sold Portion): INR 96.1 Cr

Liability Mix – Tenure Wise	Q1 FY23
<= 1 Years	4.8%
> 1 & <= 2 Years	53.3%
> 2 Years	41.9%

Credit Rating	Rating Agency	Rating / Grading
Bank Facilities	ICRA CARE	A- (OWP)
Sub- Debt	ICRA	A- (OWP)
MFI	CARE	MF12+

OWP – On watch with positive implication

Static Liquidity / ALM Position Particulars (INR Cr)	For the month		
	Apr-22	May-22	Jun-22
Opening Cash & Equivalents (A)	221.9	242.0	258.4
Loan recovery [Principal] (B)	188.3	190.3	192.3
<b>Total Inflow (C=A+B)</b>	<b>410.2</b>	<b>432.2</b>	<b>450.7</b>
Borrowing Repayment [Principal]			
Term loans and Others (D)	157.8	164.6	172.2
Securitisation and DA (E)	10.4	9.2	9.8
<b>Total Outflow G=(D+E)</b>	<b>168.2</b>	<b>173.8</b>	<b>182.0</b>
Closing Cash & equivalents (H= C-G)	242.0	258.4	268.6
<b>Static Liquidity (B-G)</b>	<b>20.0</b>	<b>16.4</b>	<b>10.2</b>

Debt Drawdowns (INR Cr)	Q1 FY23	Undrawn Sanctions as on 30 <sup>th</sup> June 2022	Sanctions in Pipeline as on 30 <sup>th</sup> June 2022
NBFCs – TL	40.0	INR 347 Cr	INR 950 Cr
Banks – TL	152.5		
Direct Assignment	86.1		
<b>Total</b>	<b>278.6</b>		

Key Business Updates

Consolidated Results Overview

CA Grameen: Financial Metrics

MMFL: Financial Metrics

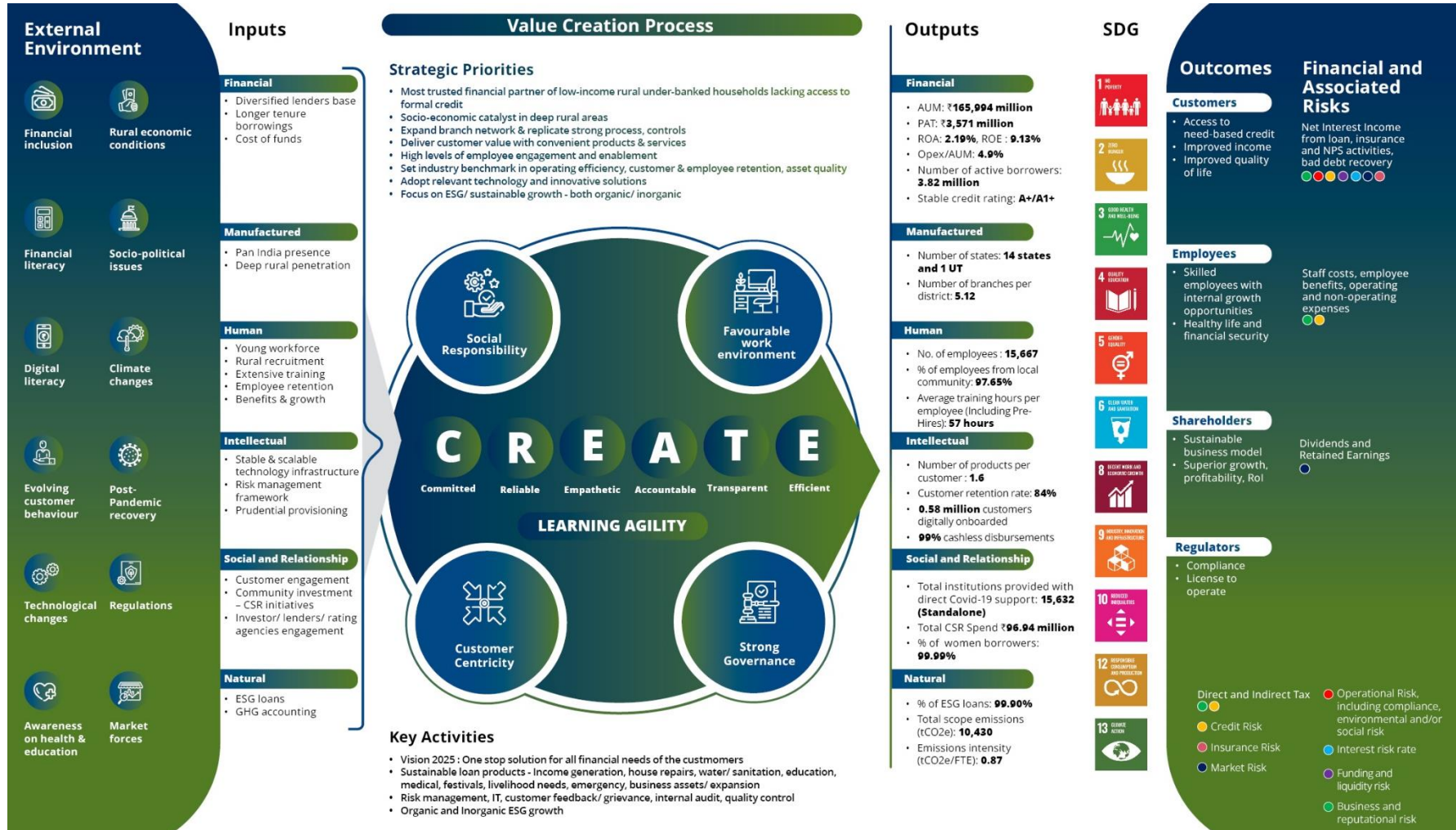
**Investment Rationale**

Annexure



# Business Model with Inherent ESG Adherence (1/2)

Note: All performance metrics are as on FY22



# Business Model with Inherent ESG Adherence (2/2)

Note: All performance metrics are as on FY22

## Environmental

- **Positive E & S impact:** 99.9% loans
- **Emissions Measurement: (Standalone)**

Emissions	Intensity (tCO2/FTE)
Scope 1	0.00
Scope 2	0.28
Scope 3	0.59

- **Aim to achieve Net Zero operations in long term**

## Community Focus / Strategic CSR:

- **Covid support:** 758,144 beneficiaries from 16,667 institutions
- **Vaccination drive:** 35,344 beneficiaries
- **Anganawadi improvement program:** 21,613 beneficiaries
- **Disaster relief support:** 23,893 beneficiaries
- **Other initiatives & plans:**
  - Mobile health check-up vehicles
  - Improvements in rural health infrastructure
  - Improvements in rural education
  - Livelihood & skill development for rural youth and differently abled children
  - Rainwater harvesting
  - Groundwater improvement programme

## Social

- **Customer Protection / Fair Practices:**



- **Employee Centricity / Well-Being:**



## Governance

- **Board structure:**
  - 57% independent, 29% women
- **Committees of the Board:**

Stakeholders' Relationship	Asset Liability Management
Nomination and Remuneration	Executive Borrowings & Investment
CSR & ESG	Audit
Risk Management	IT Strategy

- **ESG Policy framework**

ESG Policy
ESMS Policy
Energy Management Policy
Waste Management Policy
Anti-Bribery Policy & Anti-Corruption Policy
Anti-Money Laundering & Anti-Terrorism Financing Policy
IT/Cyber Security Policy
Business Continuity Policy
Board Diversity and Inclusion Policy
Whistleblower Policy
Tax Policy
Corporate Governance Policy
Gender/Equal Opportunity Policy
Human Rights Policy
Corporate Social Responsibility Policy
Employees Code of Conduct Policy
Remuneration Policy
Vendor Management Policy
Non-Discrimination and Anti-Harassment Policy
Prevention of Sexual Harassment (POSH) Policy
Client Data Privacy Policy

# Committed to Basics Through Classical JLG Lending Model

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

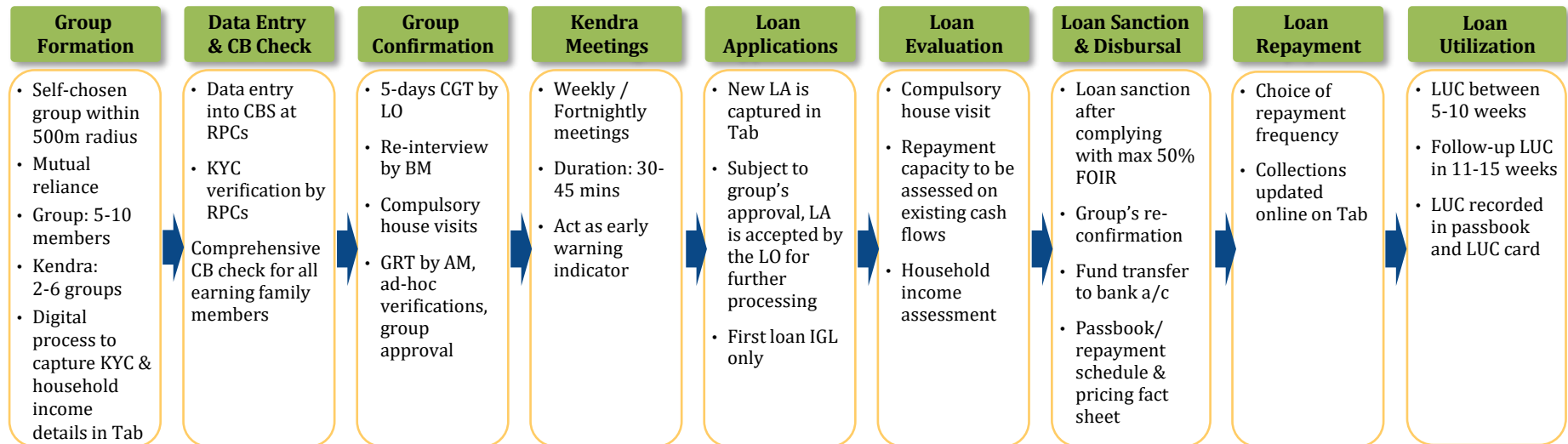
## JLG Benefits:

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

**Fully aligned with new harmonized guidelines in terms of -**

- ✓ Formulation of Board approved policies
- ✓ Process modifications
- ✓ Underwriting changes
- ✓ Technology changes in Core Banking System
- ✓ Training to all the employees

**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

**“One of the Lowest Cost Organised Financer” - One Stop Shop providing Support to Various Lifecycle Needs of the Customer**

## One of the lowest lending rates in 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 cash flow 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 - 1,00,000	12 – 36
Group	Home Improvement Loan	Water Connections, Sanitation and Home Improvement & Extensions	5,000 - 50,000	12 – 36
Group	Family Welfare Loan	Festival, Medical, Education and Livelihood Improvement	1,000 - 20,000	6 – 12
Group	Emergency Loan	Emergencies	1,000	3
Retail Finance	Retail Finance Loan	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 & 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



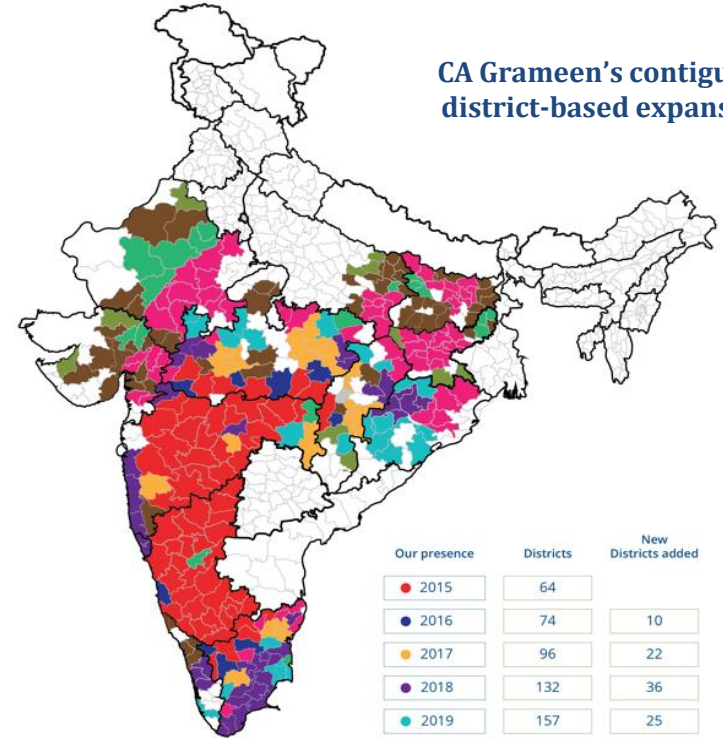
Achieving deeper penetration within a particular district within three years of commencement of operations



Gradual expansion into the next (typically adjoining) district

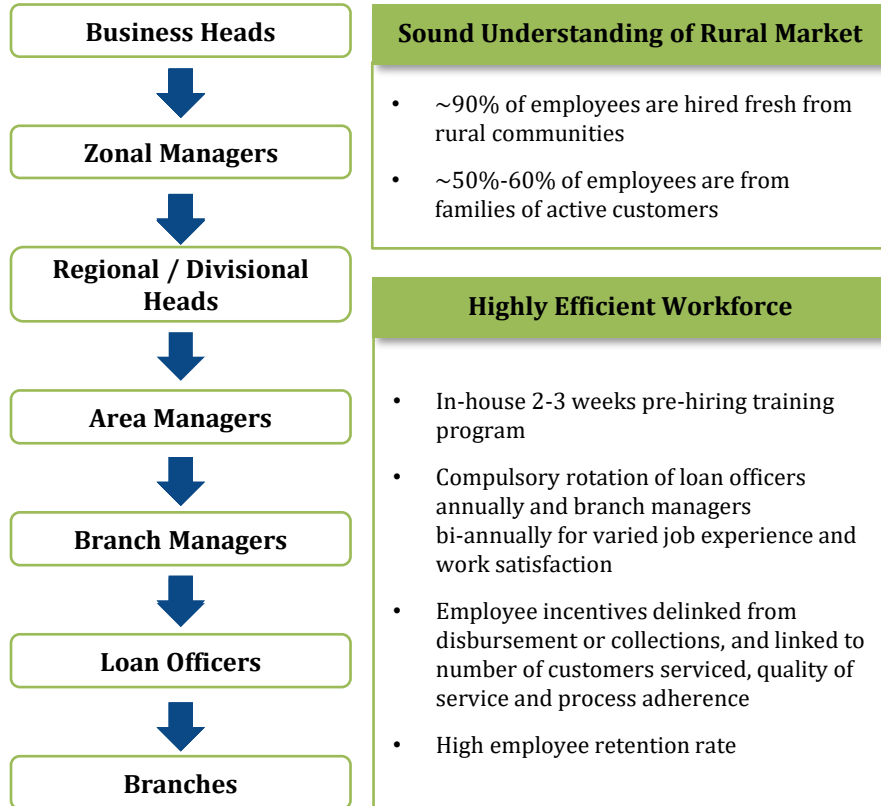


Lower exposure to a particular district (99% of districts  $\leq$  2% of GLP, No single district has > 4% of total GLP)



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
3M 2023	312	11

## Well-Established Operational Structure



## Multi-Pronged Approach For Risk Management



# Continuous Technology Enhancement to Drive Operational Efficiency

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 staff equipped with handheld tabs for managing Kendra meetings & collections
- Automated/ paperless customer on-boarding, faster KYC, and 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, and enhanced data analytics for anticipating future trends
- Strong tech-enabled internal audit, risk, and control systems to enable real-time field risk monitoring

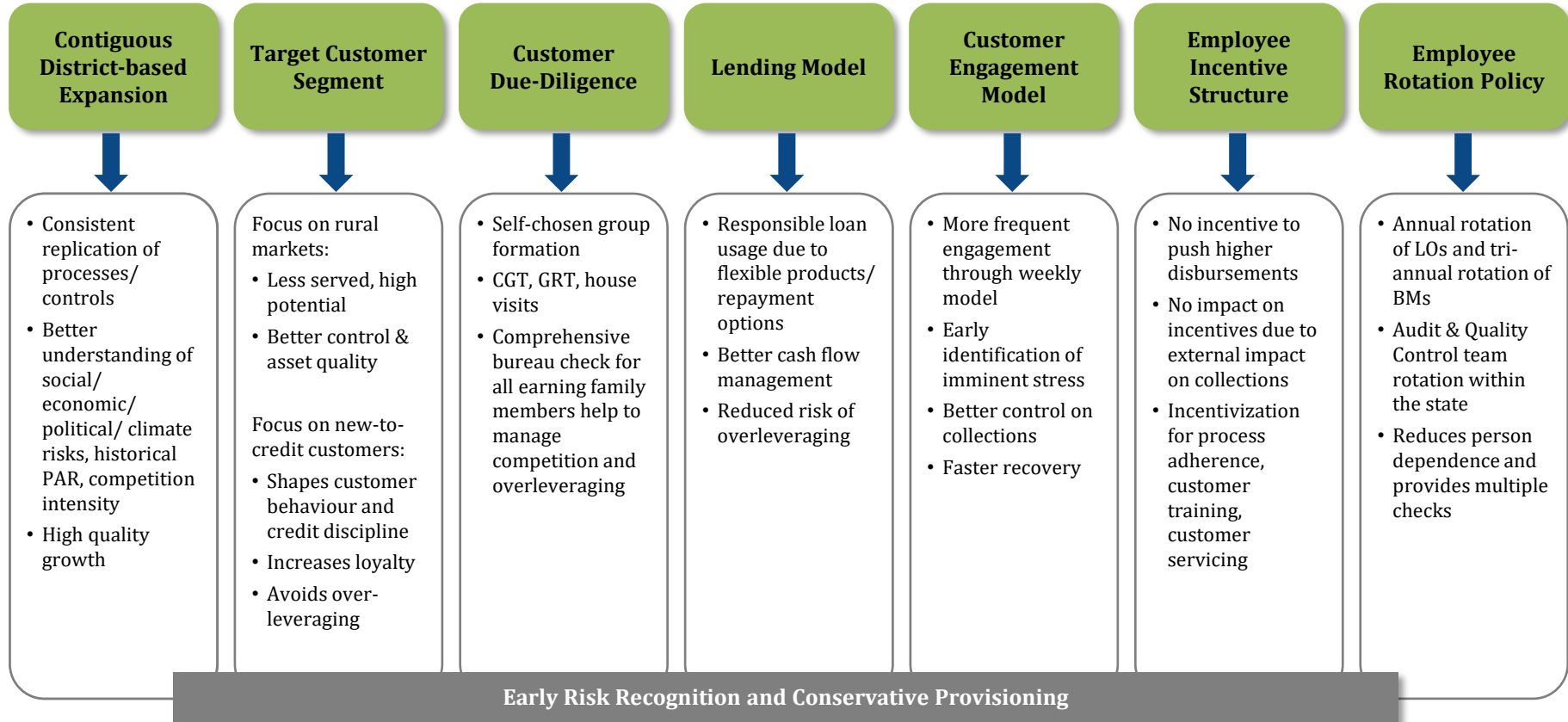


## Future Upgrades & Investments

- Upgradation of CBS to the latest version over the 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

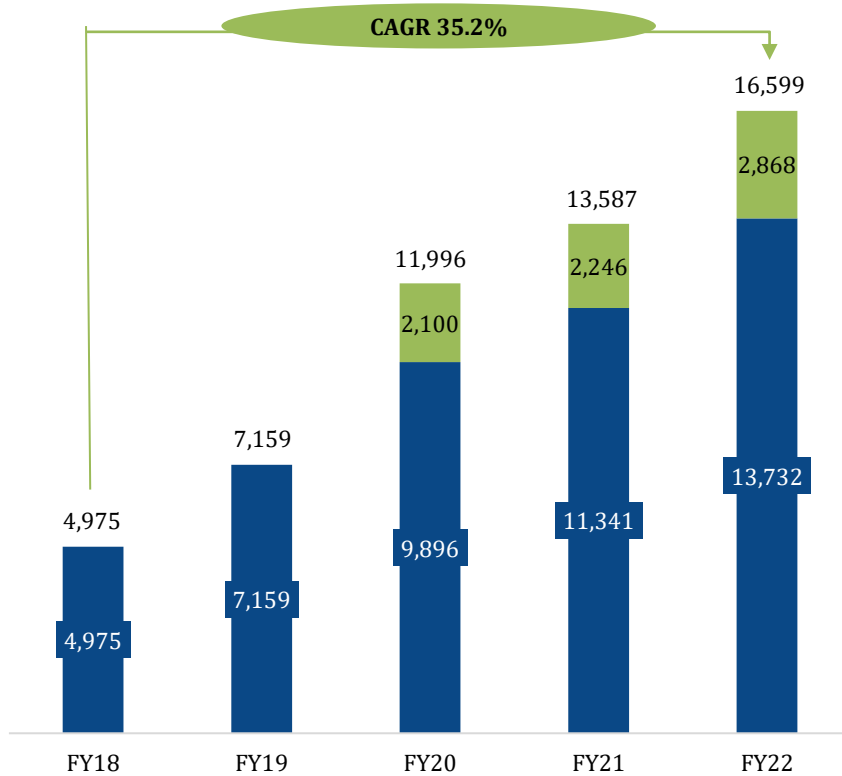
- CreditAccess India N.V. (CAI) specialises in Micro and Small Enterprises financing
- Widely held shareholding base: 253 shareholders
- Olympus ACF Pte Ltd. 15.4%, Asian Development Bank 8.8%, individuals/HNIs/Family Offices 75.8%
- Headquartered in Amsterdam, The Netherlands

## Strong Financial Support

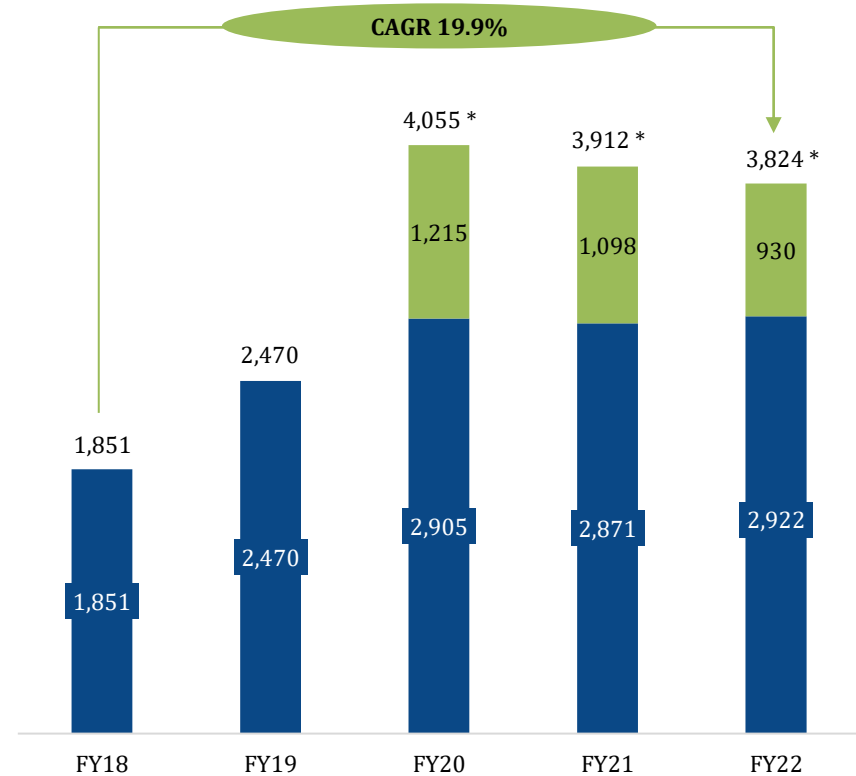
- Invested through multiple rounds of capital funding along with secondary purchases during 2009 to 2017
- Displayed trust in our business model post demonetisation by infusing INR 550 Cr in FY17
- Provides access to global fundraising opportunities leveraging CAI's network and relationships
- Holds 73.82% in CA Grameen, committed to holding up to the regulatory requirement in future

# Past Five Years Performance Track Record (1/3)

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



**Active Borrowers ('000)**

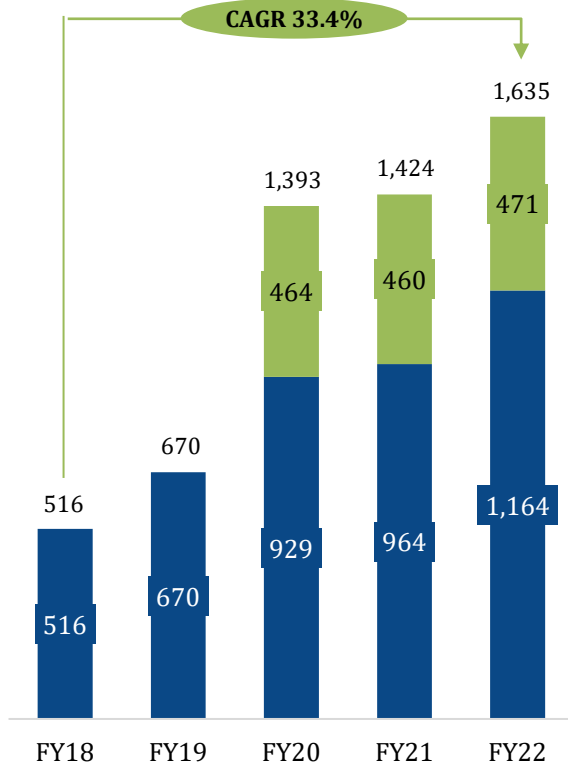


\* Excluding Common Borrowers

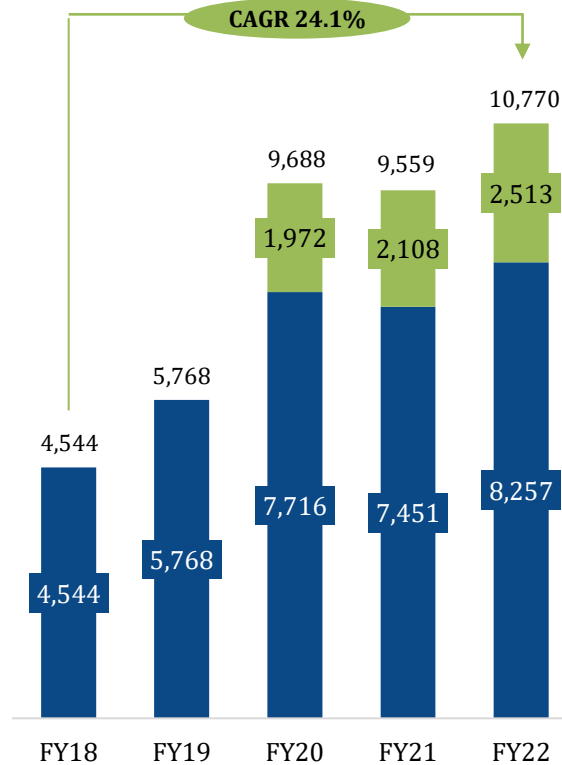
■ CA Grameen ■ MMFL

# Past Five Years Performance Track Record (2/3)

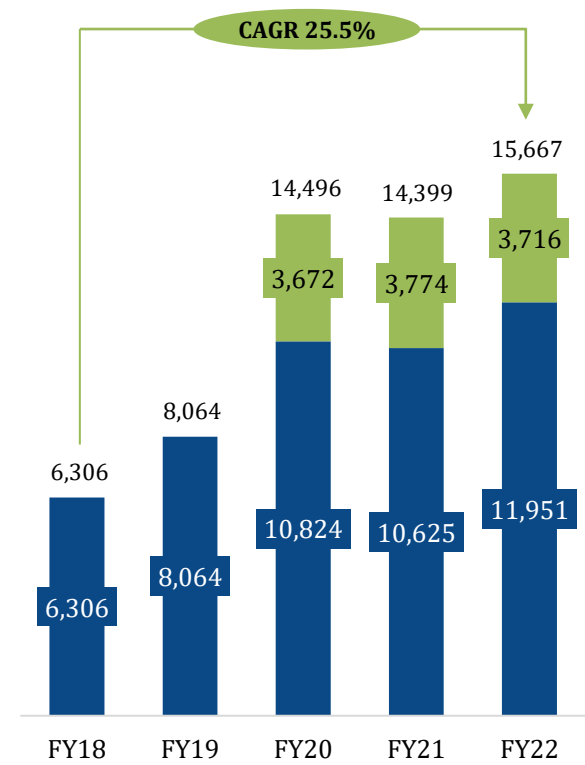
## Branch Network



## Loan Officers



## Employees

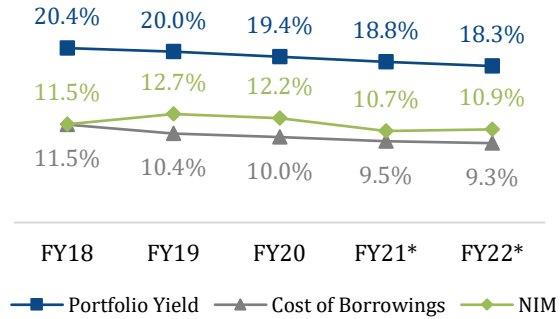


■ CA Grameen ■ MMFL

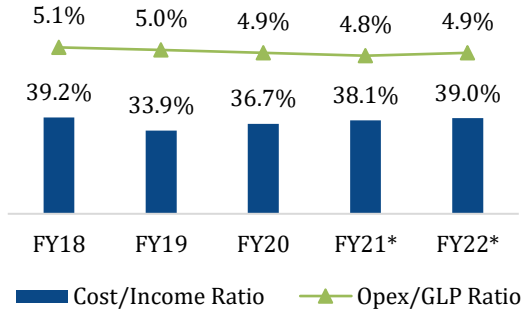
# Past Five Years Performance Track Record (3/3)

Note: Refer Annexure for definition of key ratios

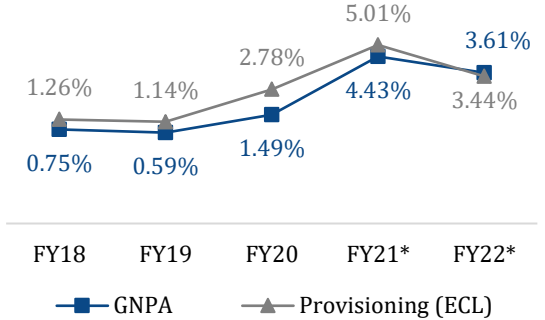
## Margin Analysis (%)



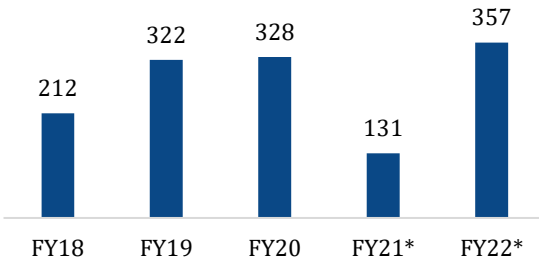
## Operating Efficiency (%)



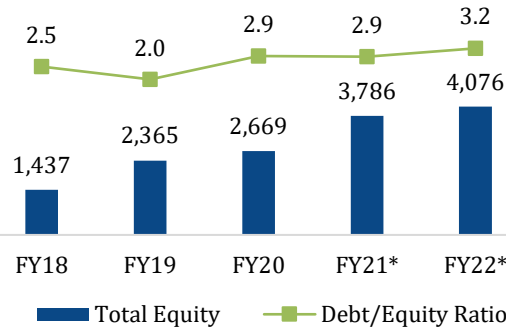
## Asset Quality (%)



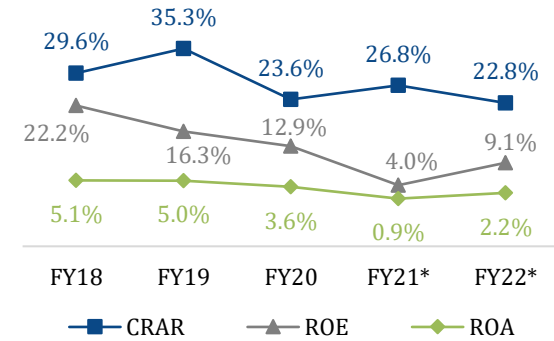
## PAT (INR Cr)



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



## Return Ratios & Capital Adequacy (%)



\*Consolidated Figures

Key Business Updates

Consolidated Results Overview

CA Grameen: Financial & Operational Metrics

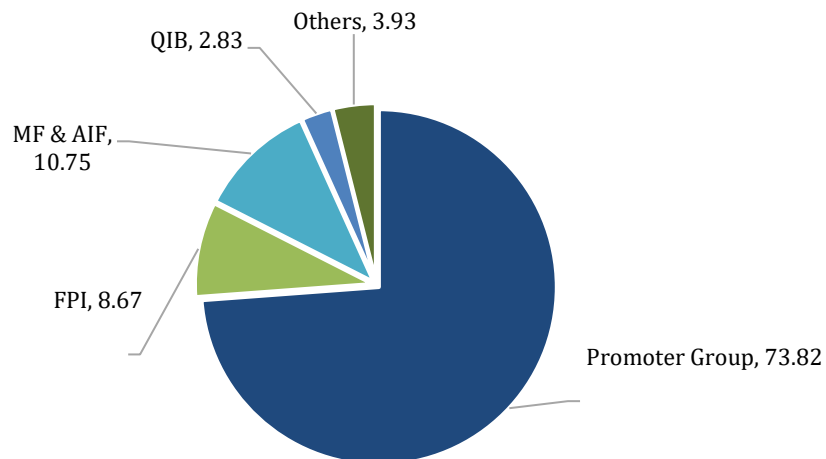
MMFL: Financial & Operational Metrics

Investment Rationale

Annexure



## Shareholding Pattern – June 2022



## Top 10 Institutional Investors – June 2022

**Eastspring Investments**

**Government Pension Fund Global**

**ICICI Prudential Life Insurance Company**

**Nippon MF**

**SBI MF**

**T Rowe Price**

**Taiyo Pacific Partners**

**Tata AIA Life Insurance**

**UTI Mutual Fund**

**Vanguard**

1. Portfolio Yield = (Interest on loans – processing fees + Income from securitisation) / Avg. quarterly on-book loans
2. Cost of Borrowings / Weighted Avg. COB = (Borrowing cost – finance lease charges) / Daily average borrowings
3. Marginal COB = (Borrowings availed during the period \* interest rate + processing fees and other charges) / Borrowings availed during the period
4. NIM = (NII – processing fees, interest on deposits, income from direct assignment + finance lease charges) / Avg. quarterly on-book loans
5. Cost/Income Ratio = Operating cost / Total Net Income
6. Opex/GLP Ratio = Operating cost / Avg. quarterly GLP
7. ROA = PAT/Avg. Quarterly Total Assets (including direct assignment) (Annualized), ROE = PAT/Avg. Quarterly Total Equity (Annualized)
8. Debt = Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities
9. GNPA = Stage III exposure at default / (Sum of exposure at default of Stage I + Stage II + Stage III)
10. NNPA = (Stage III exposure at default – Stage III ECL) / (Sum of exposure at default of Stage I + Stage II + Stage III – Stage III ECL)



## For Further Queries:

Nilesh Dalvi  
VP – Investor Relations  
Contact No – 9819289131  
Email Id – [nilesh.dalvi@cagrameen.in](mailto:nilesh.dalvi@cagrameen.in)

Sahib Sharma  
AGM – Investor Relations  
Contact No – 7066559383  
Email Id – [sahib.sharma@cagrameen.in](mailto:sahib.sharma@cagrameen.in)



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