



CreditAccess Grameen Limited

Corporate Presentation

October 2022



STOOD THE TEST OF
TIME AND **TRUST**

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Business Overview

Business Model & Strategy

Key Performance Highlights



- ✓ One of the Leading NBFC-MFIs in India headquartered in Bengaluru
- ✓ Joint Liability Group (JLG) based lending model focused on rural women predominantly in the rural areas of India
- ✓ Diverse product suite catering to entire customer life cycle
- ✓ Calibrated, contiguous district-based expansion strategy focusing on deep rural penetration
- ✓ Well designed product delivery and collection systems resulting in high customer retention
- ✓ Track record of delivering consistent growth as well as financial performance

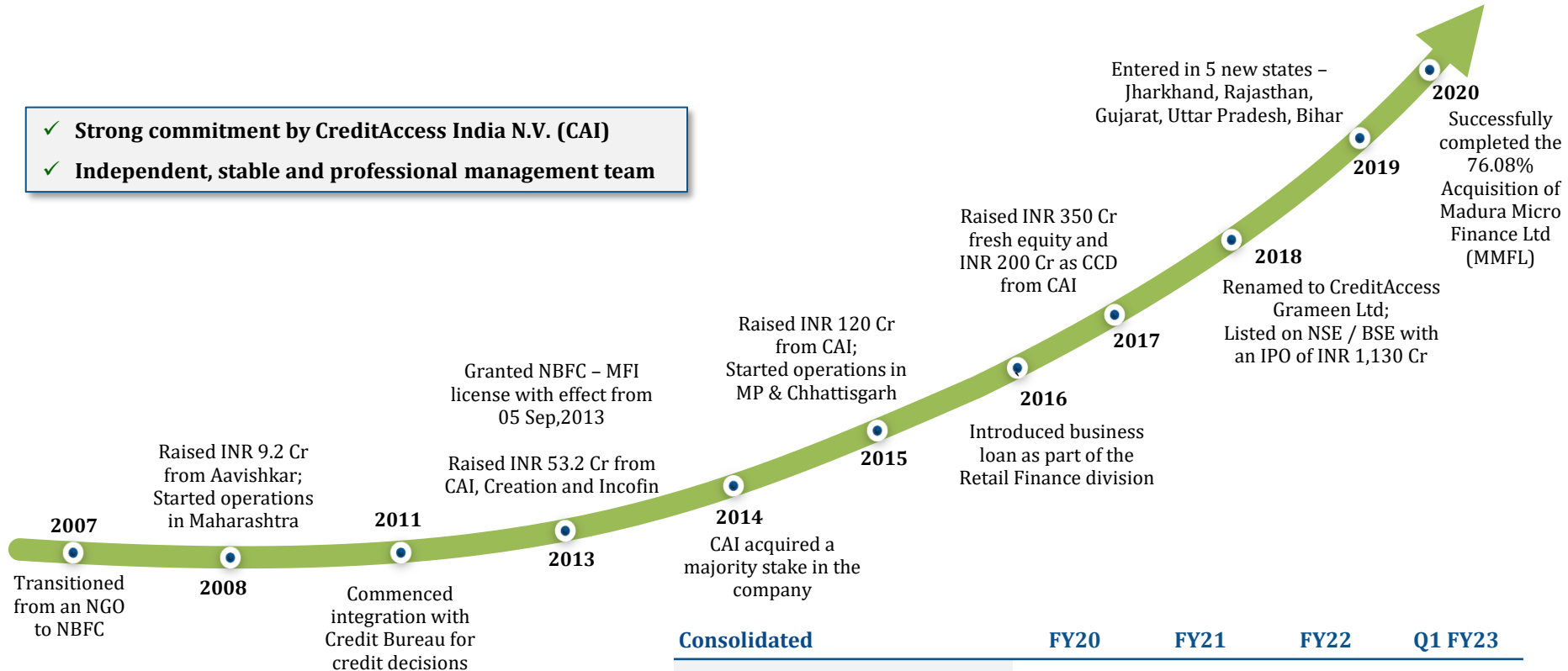
Consolidated Financial and Operational Snapshot (June 2022)

Gross AUM	Active Borrowers	Branches / Districts	Employees	Loan Officers	PAT
INR 15,615 Cr	36.89 Lakh	1,681 / 332	15,642	10,594	INR 140 Cr

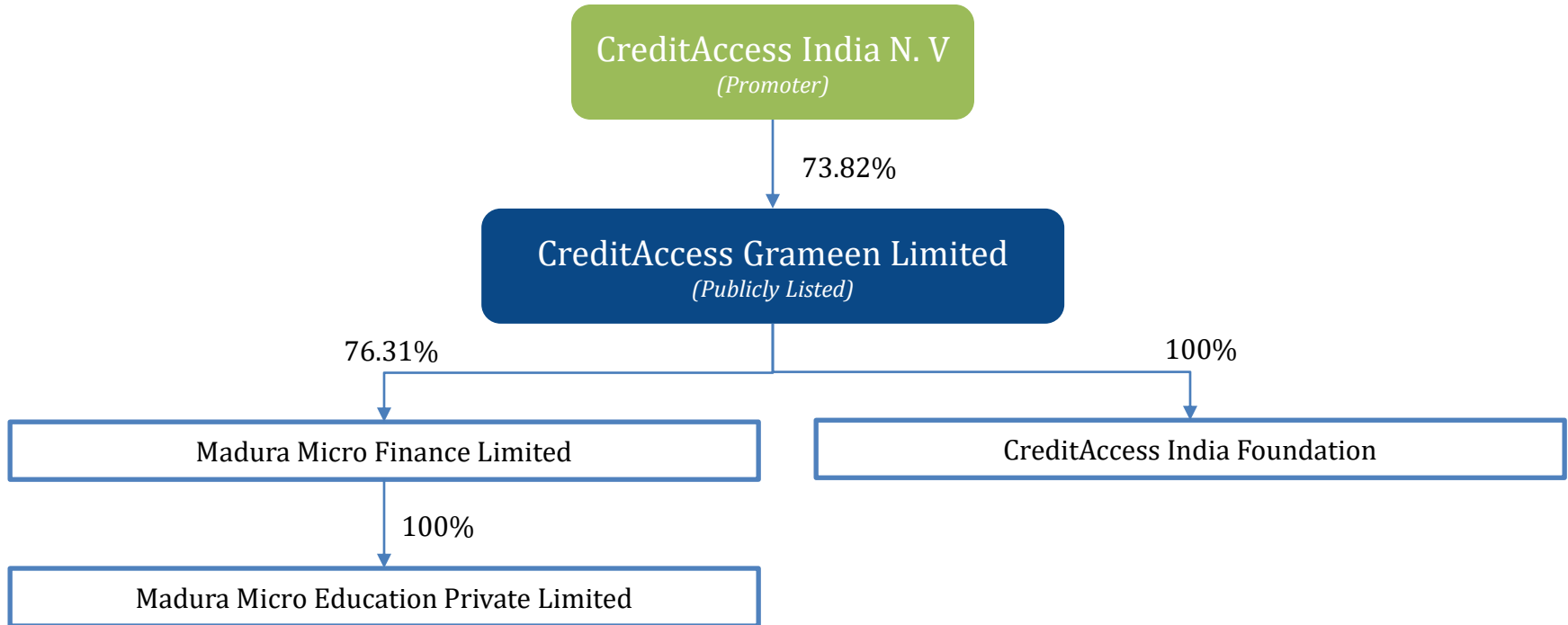
Uniquely Positioned to Capitalise on the Highly Underpenetrated Credit in Rural Areas

Key Milestones

- ✓ **Strong commitment by CreditAccess India N.V. (CAI)**
- ✓ **Independent, stable and professional management team**



Consolidated	FY20	FY21	FY22	Q1 FY23
Branches (#)	1,393	1,424	1,635	1,681
Gross AUM (INR Cr)	11,996	13,587	16,599	15,615



* Based on equity shareholding as on June 30, 2022



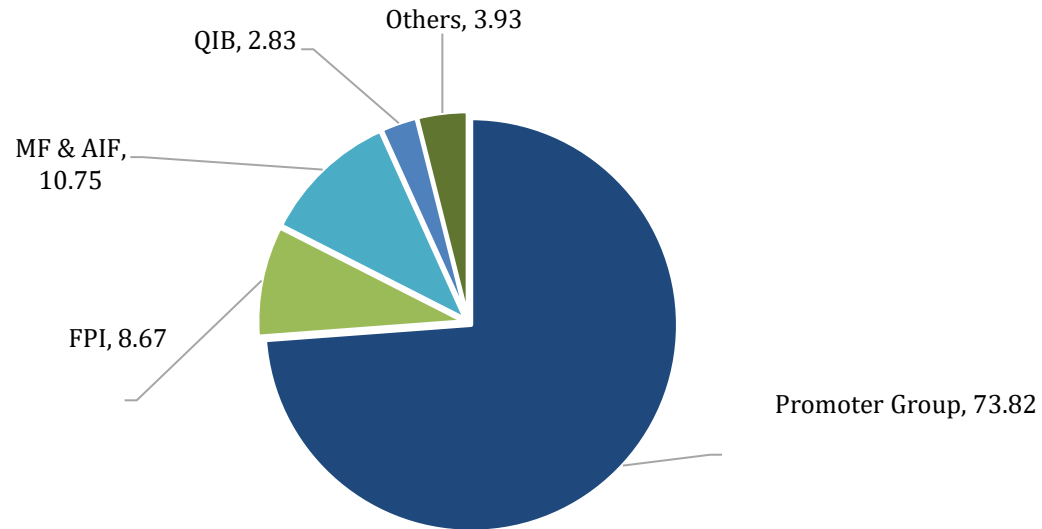
Committed to Micro Finance Business

- CreditAccess India N.V. (CAI) specialises in Micro and Small Enterprises financing
- Widely held shareholding base across 253 shareholders. Marquee investors are as follows -
 - Olympus ACF Pte Ltd. (15.40%)
 - Asian Development Bank (8.76%)
 - Asia Impact Invest SA (8.76%)
 - Conferenza Episcopale Italiana (8.13%)
 - 249 other shareholders holding less than 5% (58.95%)
- 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 demonetization by infusing INR 550 Cr (INR 350 Cr fresh equity + INR 200 Cr CCD) in FY17
- Provides access to global fundraising opportunities in the debt capital markets
- Holds 73.82% in CA Grameen, committed to holding up to the regulatory requirement in future

Shareholding Pattern – June 2022



Equity Share holders – June 2022

Creditaccess India N.V.

Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund

SBI Flexicap Fund

Government Pension Fund Global

T. Rowe Price International Discovery Fund

Tata Aia Life Insurance Co Ltd-Whole Life Mid Cap

ICICI Prudential Life Insurance Company Limited

C-Quadrat Special Situations Asia Fund

Nippon Life India Trustee Ltd-A/C Nippon India Growth Fund

SBI Banking & Financial Services Fund

Non-Convertible securities holders – June 2022

Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO)

Covered Bonds

Blue Orchard Microfinance Fund

Triodos Investment Management BV

State Bank of India

UTI International Wealth Creator 4

Global Access Fund LP

Bandhan Bank

WaterCredit Investment Fund 3, LP

Bank of India

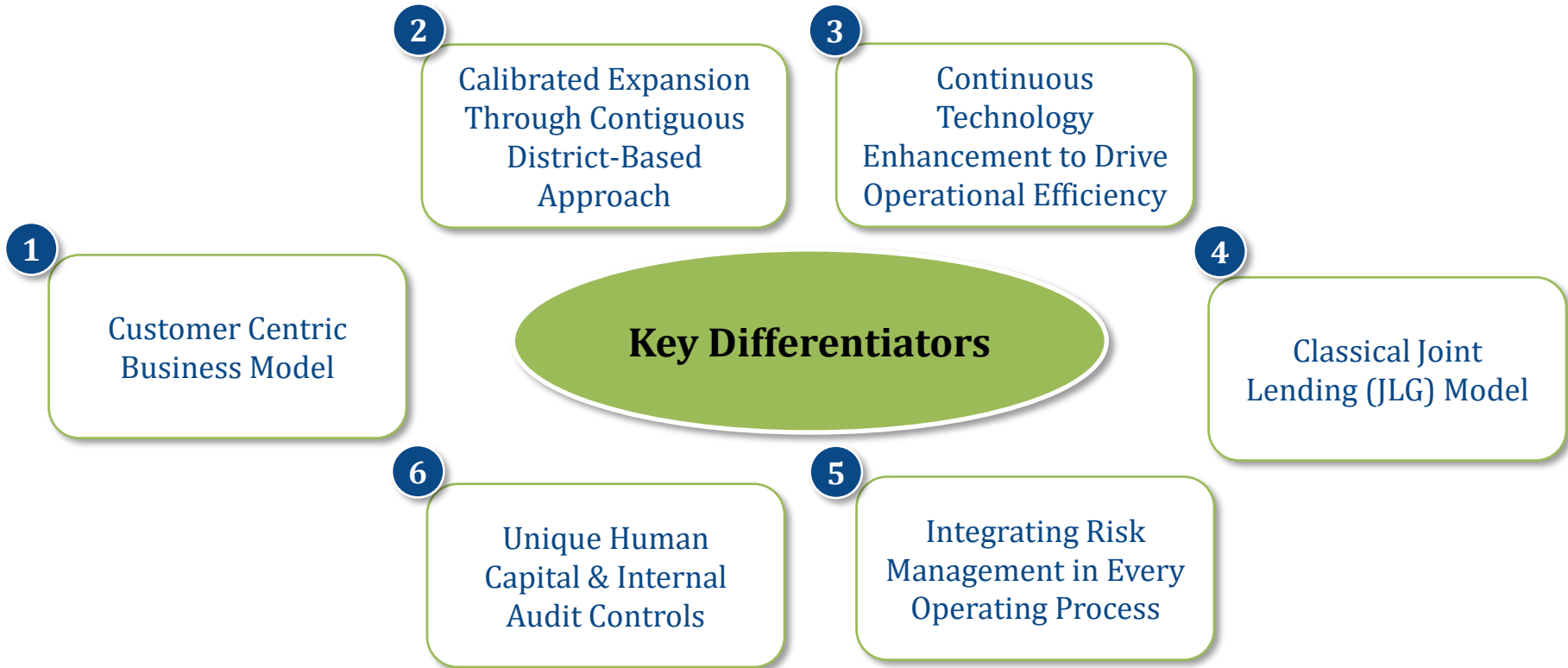
CA Grameen	June 30, 2022	FY22	FY21	FY20
Credit Rating – CRISIL	A+ (Stable)	A+ (Stable)	A+ (Stable)	A+ (Stable)
Credit Rating – ICRA	A+ (Positive)	A+ (Stable)	A+ (Stable)	A+ (Stable)
Credit Rating – Ind-Ra	AA- (Stable)	A+ (Stable)	A+ (Stable)	A+ (RWN)
Comprehensive Microfinance Grading (Institutional Grading/ Code of Conduct Assessment (COCA)) – CRISIL / SMERA	M1C1	M1C1	M1C1	M1C1

Business Overview

Business Model & Strategy

Key Performance Highlights





Uniquely positioned to capitalize on the highly underpenetrated credit in rural areas with one of the lowest lending rate & one of the best operating cost efficiency

Focus on Customer Centricity, Loyalty & Retention

One Stop Shop providing Support to Various Lifecycle Needs of the Customer



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	Up to 20,000	3 – 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 20,00,000	6 – 180

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 (92% of districts $\leq 1\%$ of Gross AUM, No single district has $> 4\%$ of total Gross AUM)

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
- 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

Committed to Basics Through Classical JLG Lending Model

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

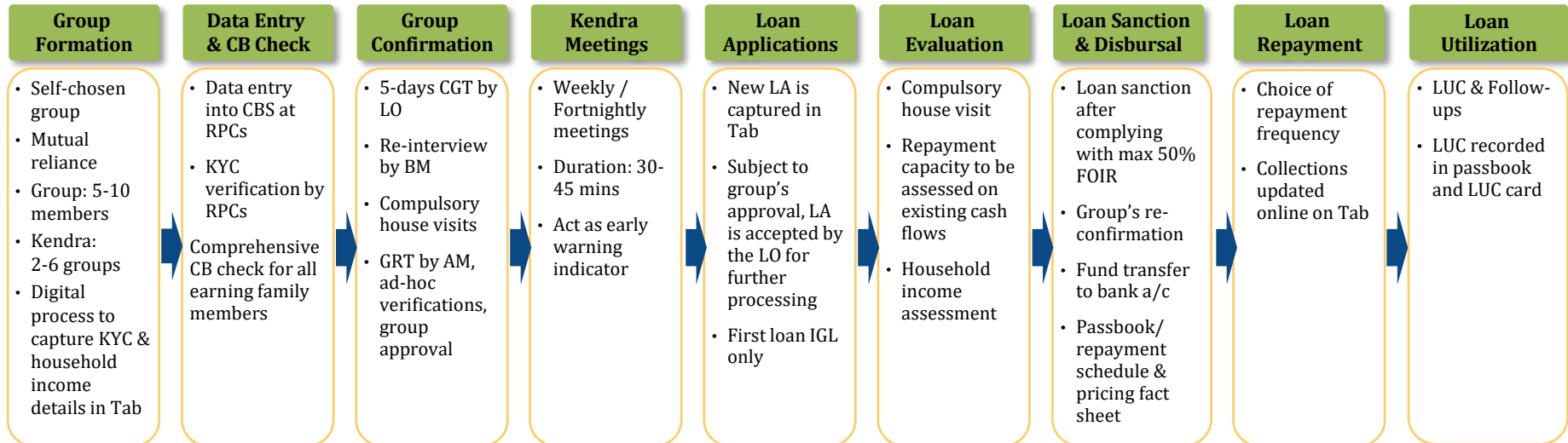
JLG Benefits:

- ✓ 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

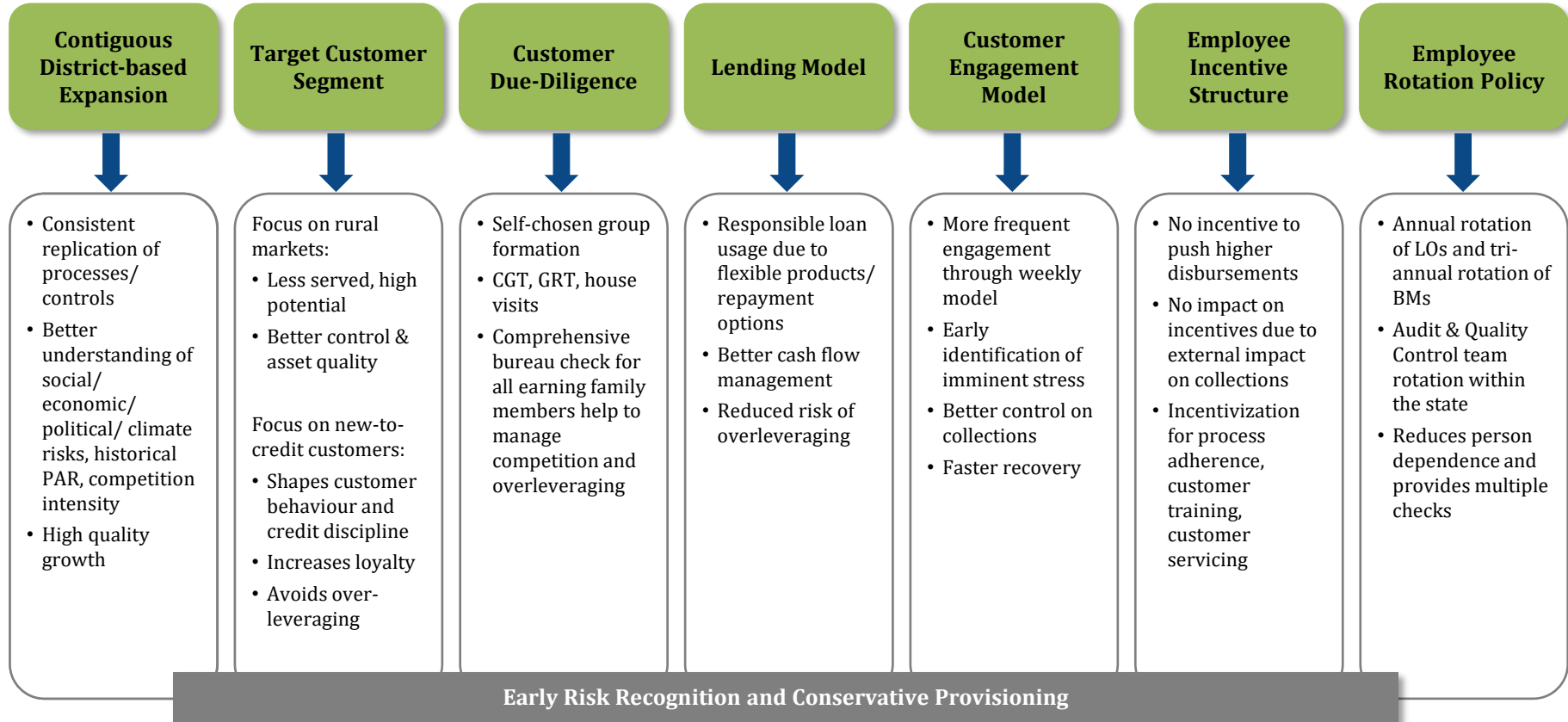
JLG Mechanism allows Multiple Layers of Checks before and after disbursement of loan



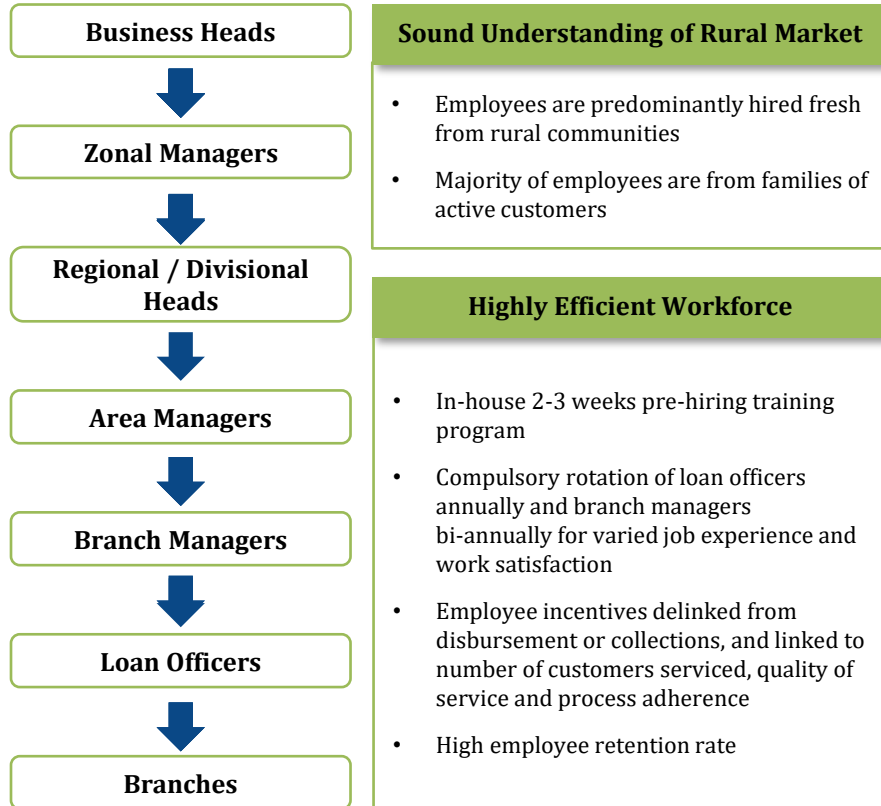
Note: CB: Credit Bureau, CBS: Core Banking System, RPC: Regional Processing Center, CGT: Compulsory Group Training, LO: Loan Officer, BM: Branch Manager, AM: Area Manager, LA: Loan Application, LUC: Loan Utilization Check

Integrating Risk Management in Every Operating Process

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



Well-Established Operational Structure



Multi-Pronged Approach For Risk Management



Business Overview

Business Model & Strategy

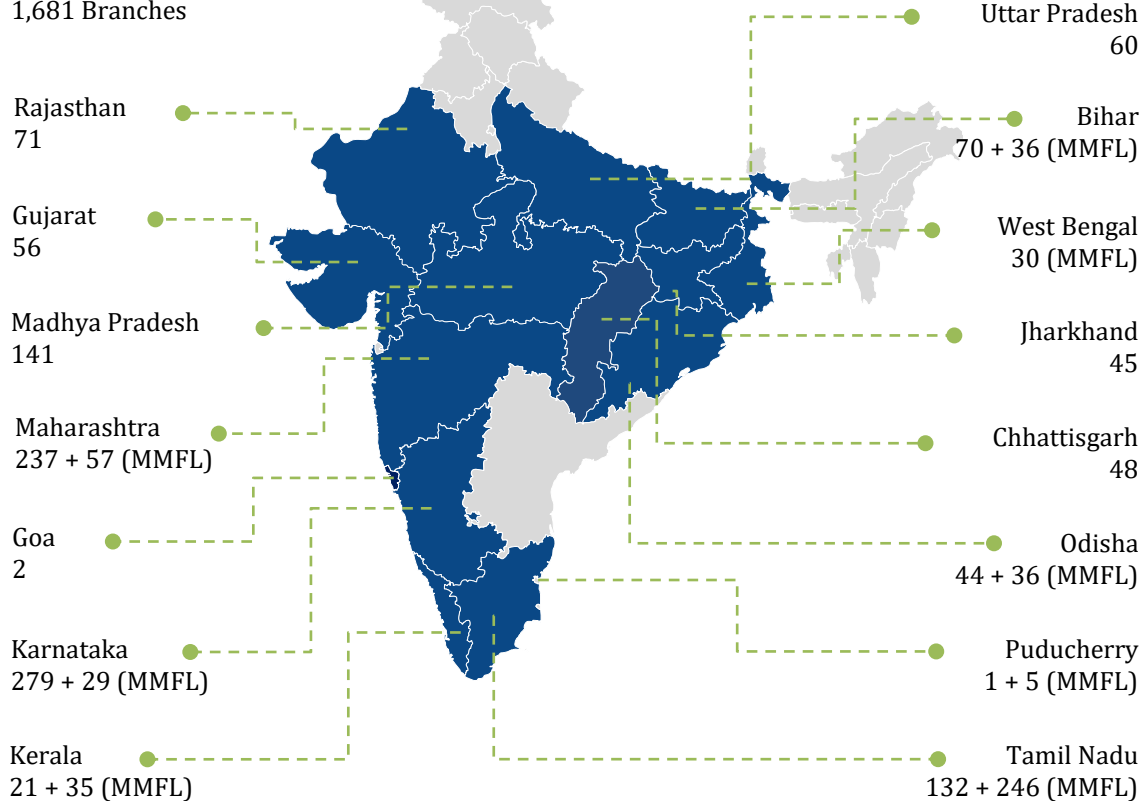
Key Performance Highlights



Well-Diversified Presence Across India

Our Presence as on Jun-22

14 States & 1 UT
332 Districts
1,681 Branches

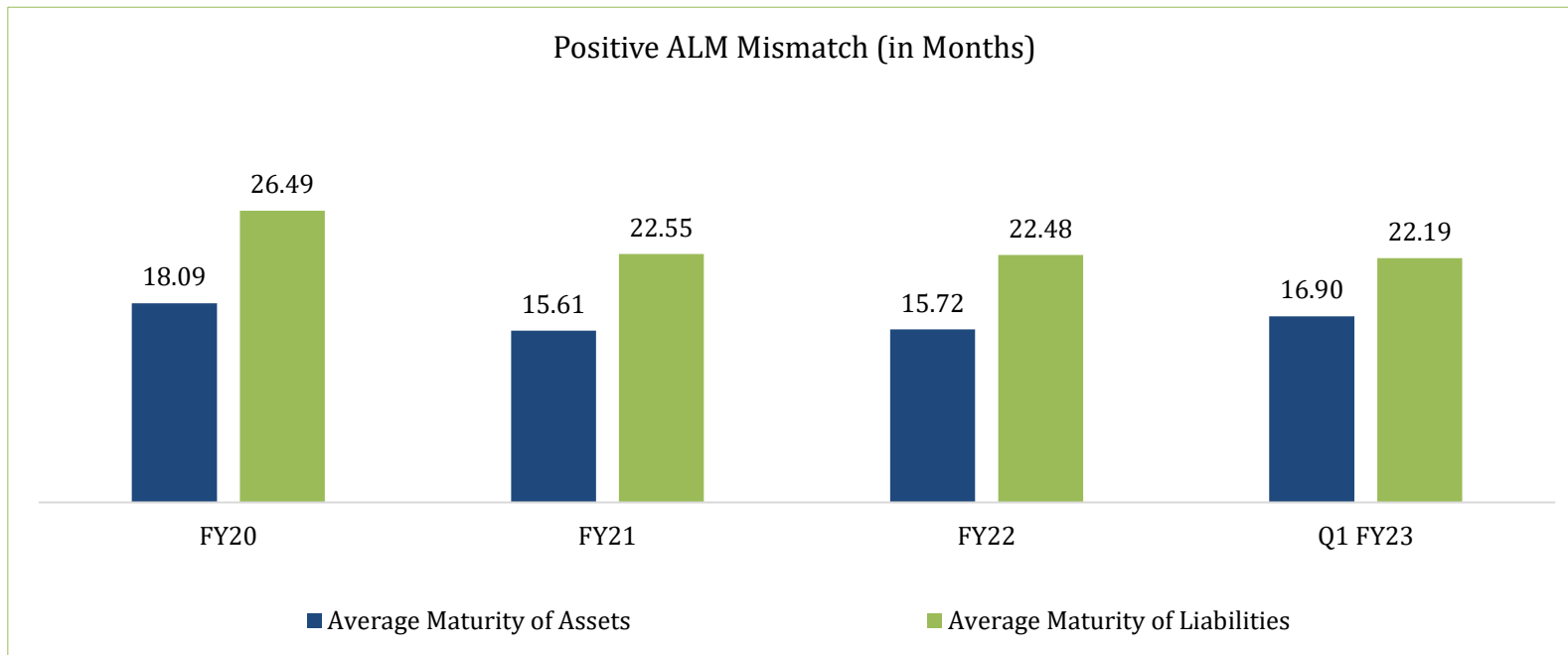


Q1 FY23	Branches
Karnataka	308
Maharashtra	294
Tamil Nadu	378
Madhya Pradesh	141
Other States & UT	560
Total	1,681

Q1 FY23	Borrowers ('000)
Karnataka	1,026
Maharashtra	758
Tamil Nadu	862
Madhya Pradesh	301
Other States & UT	743
Total	3,689

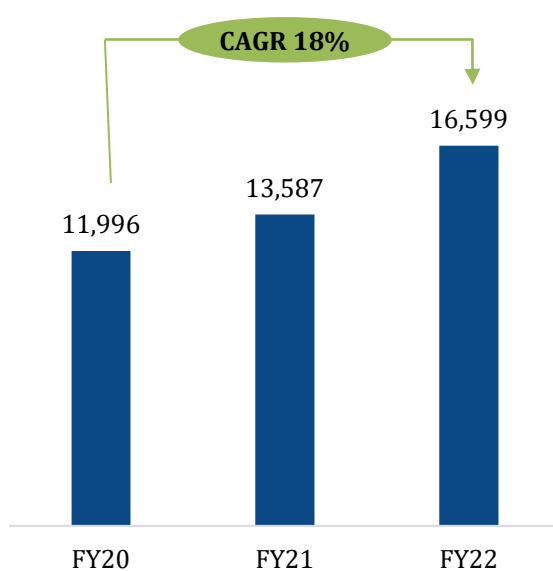
Q1 FY23	Gross AUM (INR Cr)
Karnataka	5,589
Maharashtra	3,309
Tamil Nadu	3,260
Madhya Pradesh	1,115
Other States & UT	2,343
Total	15,615

Positive ALM Continues To Contribute Growth

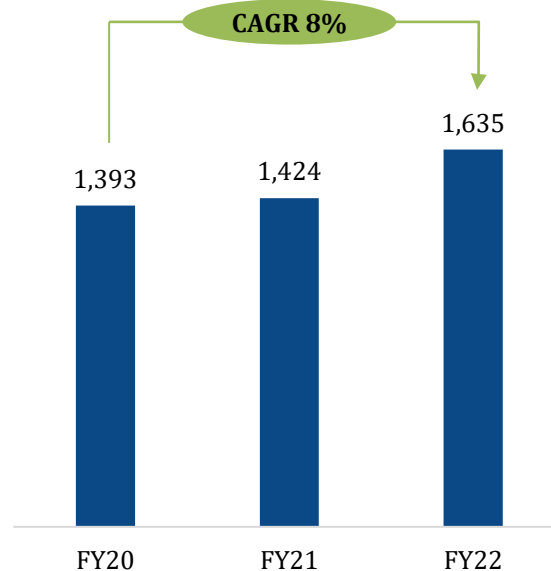


Consolidated Historical Performance Trend 1/4

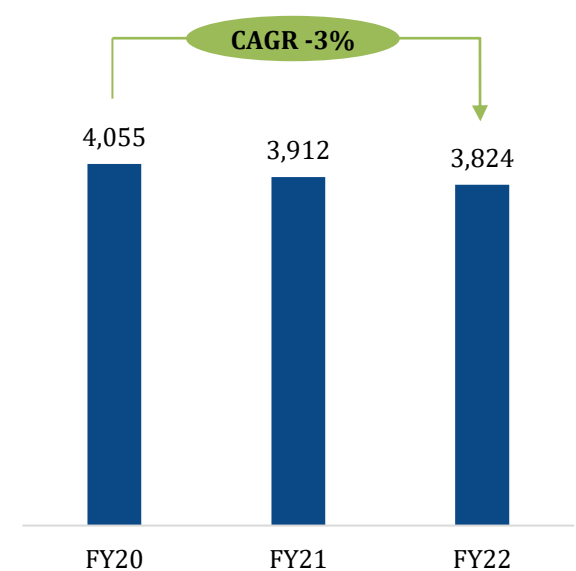
Gross AUM (INR Cr)



Branch Network

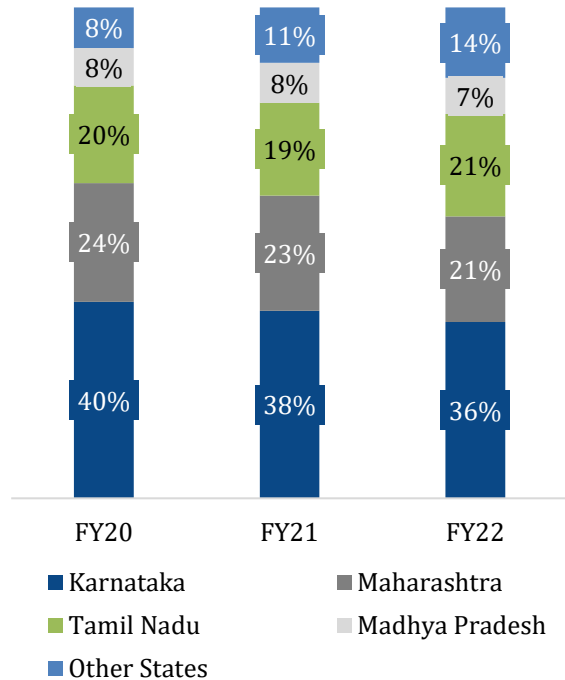


Active Borrowers ('000)

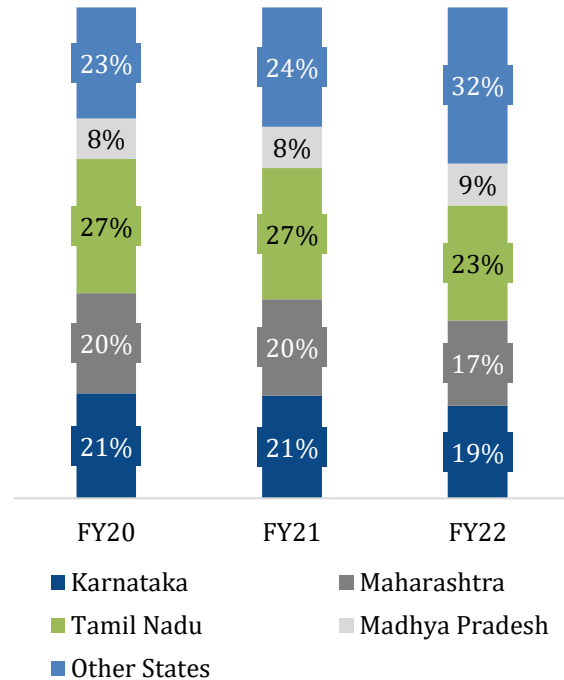


Consolidated Historical Performance Trend 2/4

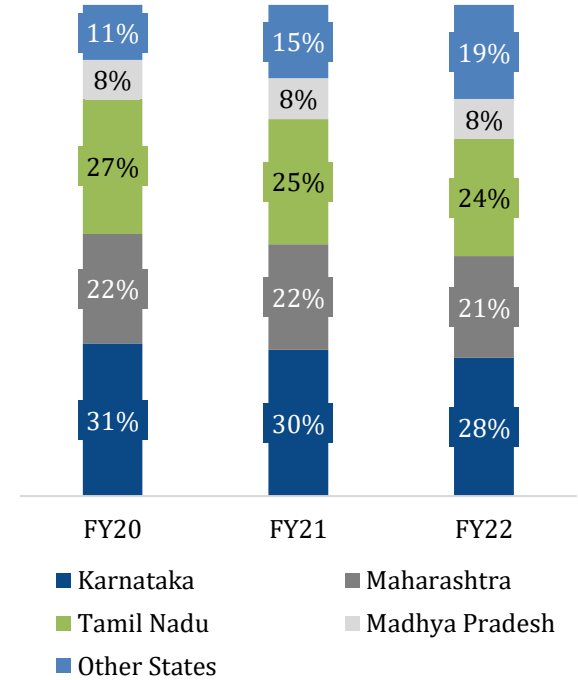
Gross AUM – State-wise % Mix



Branch – State-wise % Mix

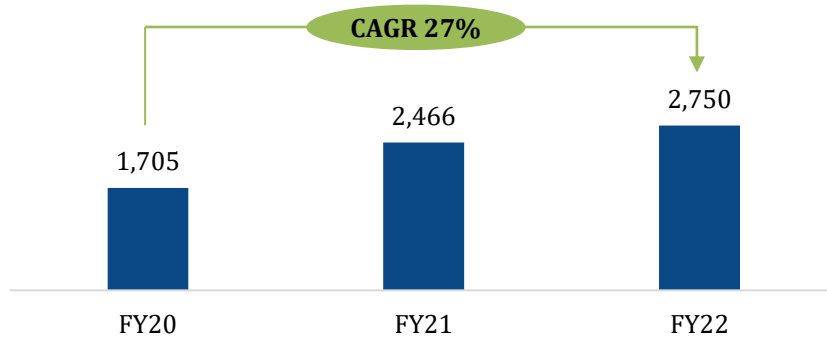


Active Borrowers – State-wise % Mix



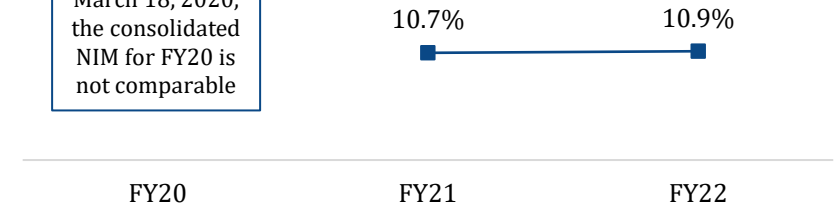
Consolidated Historical Performance Trend 3/4

Total Revenues (INR Cr)

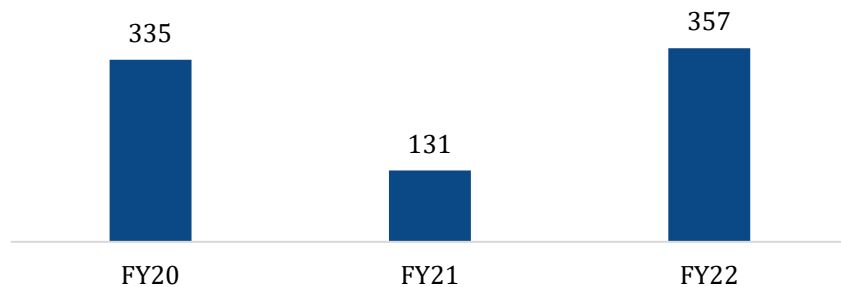


Net Interest Margin (%)

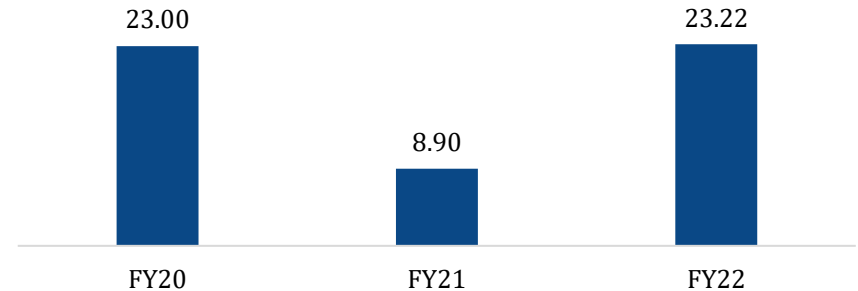
Since MMFL acquisition was completed on March 18, 2020, the consolidated NIM for FY20 is not comparable



PAT (INR Cr)



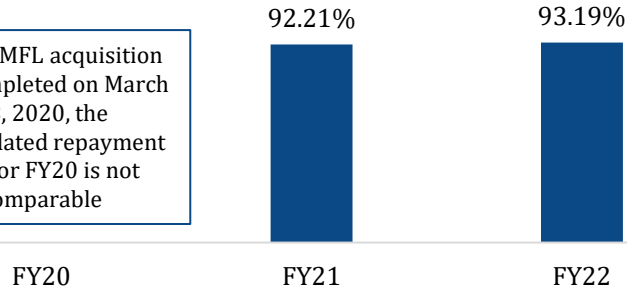
EPS - Diluted (INR)



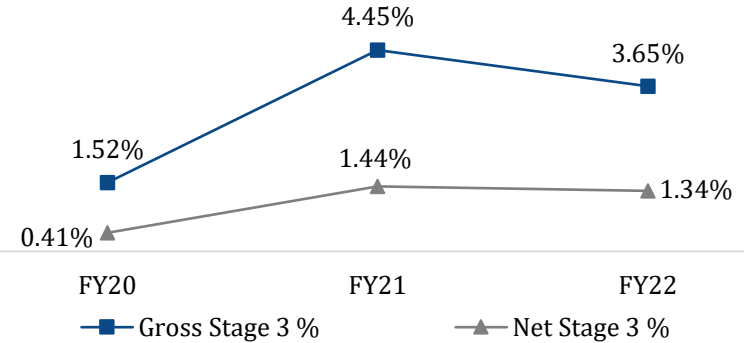
Consolidated Historical Performance Trend 4/4

Repayment Rate %

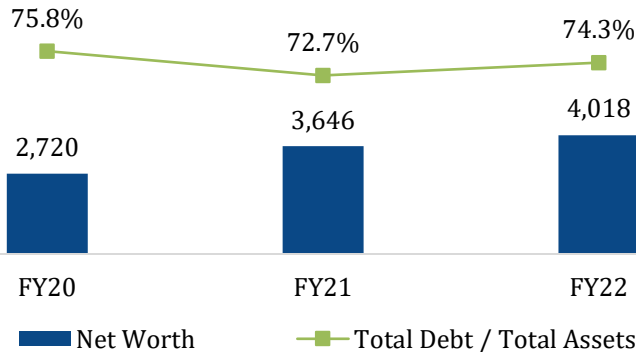
Since MMFL acquisition was completed on March 18, 2020, the consolidated repayment rate for FY20 is not comparable



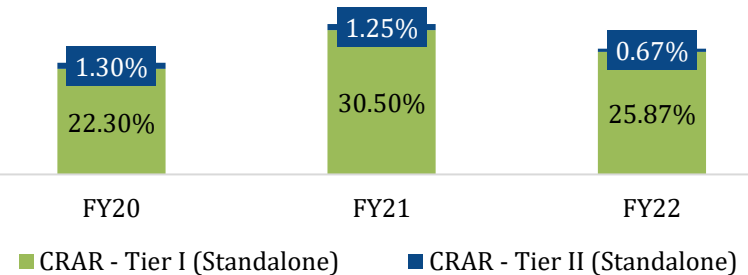
Asset Quality %



Net Worth (INR Cr) & Total Debt/Total Assets Ratio



Capital Adequacy (%)





Thank You

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