CreditAccess Grameen Limited

Q2 & H1 FY23 Investor Presentation

October 2022

STOOD THE TEST OF
TIME AND TRUST

Disclaimer

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.

Discussion Summary

- **Key Business Updates**
- Consolidated Overview
- CA Grameen: Financial Metrics
- MMFL: Financial Metrics
- Investment Rationale
- Annexure

Q2 FY23: Key Consolidated Business Highlights

CreditAccess Grameen

1. Best 2nd Quarter Performance Till Date
   Highest Quarterly PAT

2. Performance on Track to Achieve Annual Guidance

3. Comfortably Placed to Protect NIMs in a Rising Interest Rate Scenario

4. Asset Quality Largely Normalised, with Improved Visibility

5. Liability Strategy Playing Well

Strongly Positioned to Deliver Robust Growth & Profitability

Q2 FY23: Best 2nd Quarter Performance Till Date – Strong Business Momentum

	Q2 FY23	YoY% Change	QoQ% Change
GLP (INR Cr)	**16,539**	**+24.0%**	**+5.9%**
CA Grameen	13,772	+23.1%	+6.0%
MMFL	2,767	+28.8%	+5.5%
Write-off	163	1.0% of Jun-22 GLP	
Borrowers[1] (Lakh)	**37.98**	**+1.2%**	**+3.0%**
CA Grameen	29.96	+8.8%	+5.2%
MMFL	8.30	-20.6%	-4.9%
Write-off	1.00	2.7% of Jun-22 Borrowers	
Disbursements (INR Cr)	**4,375**	**+12.5%**	**+103.9%**
CA Grameen	3,646	+6.8%	+95.9%
MMFL	729	+52.8%	+156.3%

Q2 FY23 Collections Efficiency (Excl. Arrears)	**97%**
Q2 FY23Collections Efficiency (Incl. Arrears)	**98%**

GNPA % (largely @ 60+ dpd)	**2.17%**
ECL Provisioning	**2.46%**
NNPA %	**0.77%**
PAR 90+ %	**1.72%**

1) Excluding 28,477 common borrowers

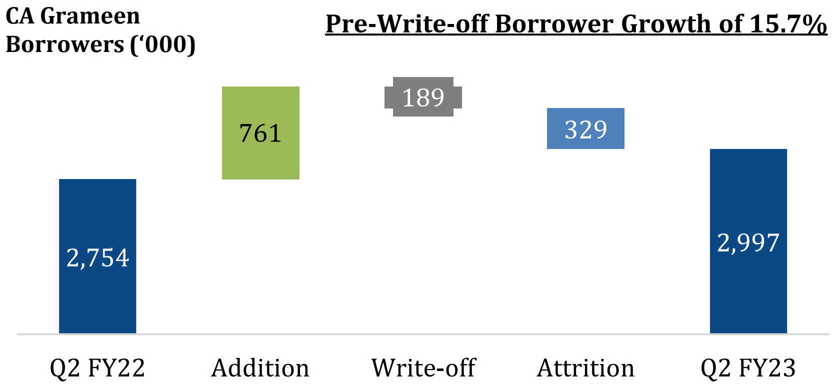
	Q2 FY23	YoY% Change	QoQ% Change
NII (INR Cr)	516	+39.9%	+11.8%
PPOP (INR Cr)	334	+52.9%	+15.4%
PAT (INR Cr)	**176**	**+195.0%**	**+26.2%**
NIM %	12.0%	+80 bps	+97 bps
ROA %	4.0%	+238 bps	+ 86 bps
ROE %	**16.1%**	**+990 bps**	**+269 bps**

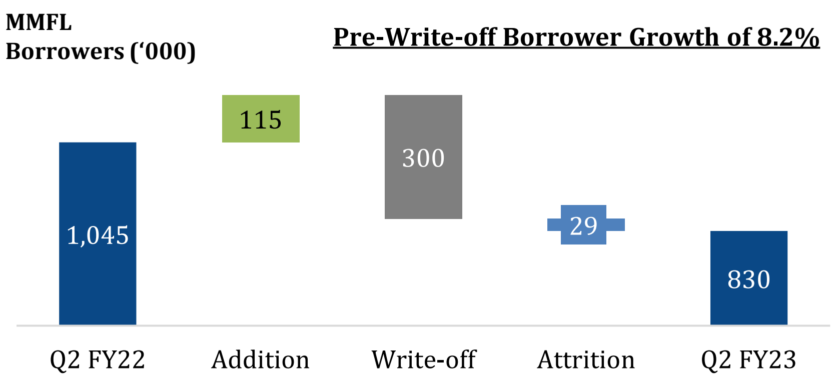
Capital	Total	Tier 1
CRAR %	**25.0%**	**24.3%**
CA Grameen	29.0%	28.2%
MMFL	22.5%	14.8%

Liquidity (INR Cr)	
C & CE	**1,147**
Undrawn Sanctions	4,024
Sanctions in Pipeline	5,638

- **Highest Disbursements in 2nd Quarter**
- **Highest Borrower Addition in 2nd Quarter**
- **Highest Quarterly Profit After Tax, despite 2nd Quarter being seasonally moderate**

Q2 FY23: Robust New Borrower Addition





New Borrower Addition over past 12 Months	Total	% Share
Tamil Nadu	1,59,341	18.2%
Karnataka	1,55,794	17.8%
Maharashtra	1,49,029	17.0%
Other States	**4,12,279**	**47.0%**
Total	**8,76,443**	
Q3 FY22	2,00,595	
Q4 FY22	2,98,358	
Q1 FY23	92,642	
Q2 FY23	2,84,848	

Strongest new borrower addition momentum in Q2 till date

47% of the new borrower addition over the past 12 months was from outside of the top 3 states

Q2 FY23: Performance on Track to Achieve Annual Guidance

Key Indicators – Consolidated	FY23 Guidance	Q2 FY23 Performance	H1 FY23 Performance	Remarks
GLP – Growth %	24.0% - 25.0%	24.0%	24.0%	• Strong business momentum, post adhering with new RBI guidelines • Growth driven by new borrower additions
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio	1.8% - 2.0%	0.7% (non annualized)	1.4% (non annualized)	• Credit cost front loaded in H1 FY23 due to residual Covid related write-offs
Return on Assets %	4.0% - 4.2%	4.0%	3.5%	• ROA / ROE improved from 3.1% / 13.4% in Q1 FY23 to 4.0% / 16.1% in Q2 FY23 • Return ratios to further improve in H2 FY23 driven by better NIMs, stable operational efficiency and lower credit cost
Return on Equity %	16.0% - 18.0%	16.1%	14.8%	

Note: The guidance provided considers a stable operating environment

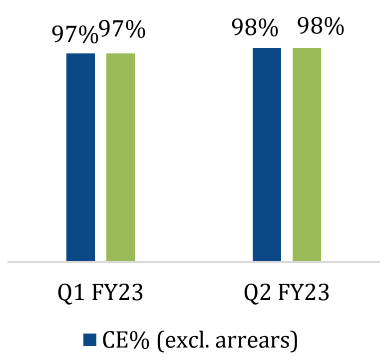
Q2 FY23: Comfortably Placed to Protect NIMs in a Rising Interest Rate Scenario

CreditAccess® Grameen

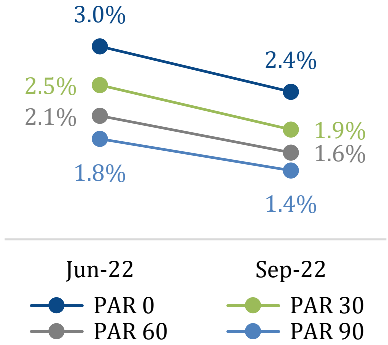
Consolidated Metrics	Q1 FY23	Q2 FY23	H1 FY23	Remarks
Avg. New Disbursement Interest Rate %	20.3%	20.8%	20.6%	• Revised pricing continues to be very competitive
Portfolio Yield %	18.4%	19.1%	18.6%	• Improvement in yields driven by revised pricing and lower interest de-recognition
Weighted Avg. Cost of Borrowing %	9.1%	9.2%	9.2%	• Weighted Avg. COB higher by only 30 bps and marginal COB higher by only 50 bps compared to Q4 FY22
Marginal Cost of Borrowing % (CA Grameen Standalone)	8.6%	8.8%	8.7%	
NIM %	11.1%	12.0%	11.4%	• NIM during H1 FY23 is higher by 50 bps compared to FY22
Supportive Credit Rating	• Ind-Ra upgrades rating from A+ to AA- with 'Stable' outlook • ICRA & CRISIL upgrade outlook from 'Stable' to 'Positive'			• Highest rating of 'AA-' amongst NBFC-MFI, without factoring any parent support

Q2 FY23: Asset Quality Update (CA Grameen)

Collections Trend



PAR Trend



Adequate Provisioning Coverage

INR Cr	CA Grameen Policy (IND-AS)			
Q2 FY23 Asset Classification (dpd)		EAD (INR Cr)	EAD%	ECL%
Stage 1	0 – 15 (GL), 0 – 30 (RF)	12,791.0	97.8%	0.8%
Stage 2	16 – 60 (GL), 31 – 90 (RF)	65.5	0.5%	57.0%
Stage 3	60+ (GL), 90+ (RF)	226.6	1.7%	73.1%
Total		**13,083.2**	**100.0%**	**2.3%**
		GNPA (Gross Stage 3)	**1.7%**	
		NNPA (Net Stage 3)	**0.5%**	

Revised ECL Policy applicable from Q2 FY23, leading to higher ECL coverage ratios

EAD: Exposure at default includes principal and accrued interest

Payment wise Breakup of EAD

Contribution of Borrowers as on Sep-22	Stage 1 EAD%	Stage 2 EAD%	Stage 3 EAD%	Total EAD%
Full Payment	97.5%	0.0%	0.0%	97.5%
Partial Payment	0.3%	0.3%	0.3%	0.9%
No Payment	0.0%	0.2%	1.4%	1.6%
Total	**97.8%**	**0.5%**	**1.7%**	**100.0%**

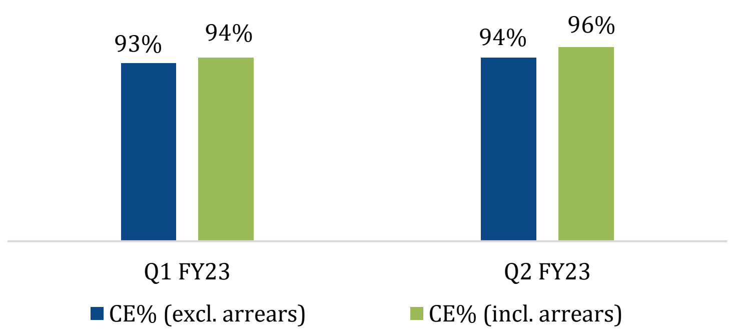
Restructuring at 0.5% of GLP

Loan Restructuring (INR Cr)	Amount	GLP as on Sep-22	PAR 31-60	PAR 61-90	PAR 90+
Restructuring - FY21	77.1	7.8	0.2	0.2	1.8
Restructuring - FY22	143.6	60.6	1.2	1.2	11.5
Restructuring – H1 FY23	2.8	2.7	0.0	0.0	0.0
Total	**223.4**	**71.1**	**1.5**	**1.4**	**13.3**

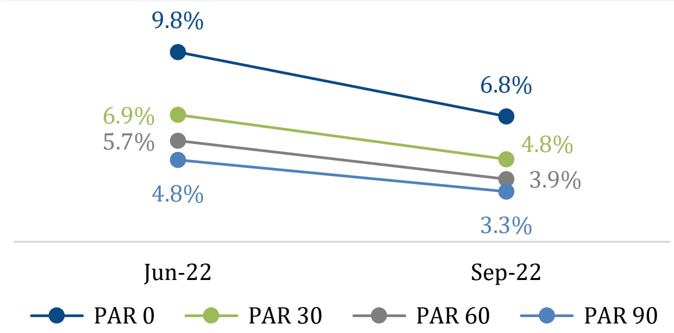
Q2 FY23: Asset Quality Update (MMFL)

CreditAccess Grameen

Collections Trend



PAR Trend



Adequate Provisioning Coverage

INR Cr	CA Grameen Policy (IND-AS)			
Q2 FY23 Asset Classification (dpd)		EAD (INR Cr)	EAD%	ECL%
Stage 1	0 – 15, 0 – 30	2,457.8	94.6%	0.9%
Stage 2	16 – 60, 31 – 90	27.1	1.0%	32.2%
Stage 3	60+	113.4	4.4%	49.1%
Total		**2,598.3**	**100.0%**	**3.3%**
		GNPA (Gross Stage 3)	**4.4%**	
		NNPA (Net Stage 3)	**2.3%**	

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	92.6%	0.0%	0.0%	92.6%
Partial Payment	2.0%	1.0%	2.0%	5.0%
No Payment	0.0%	0.1%	2.3%	2.4%
Total	**94.6%**	**1.0%**	**4.4%**	**100.0%**

EAD: Exposure at default includes principal and accrued interest

Liability Strategy Playing Well

USD 35 million
ESG-linked loan from DFC

First of its kind direct loan from DFC to a NBFC-MFI in India

- U.S. International Development Finance Corporation (DFC) sanctions **USD 35 Mn ESG-linked loan for up to 7 years** in Oct-22
- The loan facility will focus on performance targets linked to ESG principles to strengthen women's entrepreneurship and leadership
- This is the **second ESG-linked loan for CA Grameen** after receiving the first ESG loan sanction of USD 25 Mn from Swedfund in Jul-21

Strong Traction in Foreign Funding

External Commercial Borrowings sanctions / drawdowns during H1 FY23:

- **USD 50 Mn from IFC**
  - Sanctioned in Jun-22, drawn in Aug-22 & Oct-22
- **USD 20 Mn from Blue Orchard**
  - Sanctioned in Mar-22, drawn in Jun-22
- **USD 90 Mn Syndicated loan led by HSBC**
  - Sanctioned in Aug-22
- **USD 35 Mn from DFC**
  - Sanctioned in Oct-22
- **All loans are 100% hedged**

Strong visibility on foreign sourcing:

- 38% share in undrawn sanctions (CA Grameen)
- 19% share in sanctions in pipeline (CA Grameen)

Accounting Treatment: Classification of Loans

Classification of Loans at 'Amortised Cost' with Effect from Q2 FY23

- During the previous quarter, the Company had reassessed its business model and concluded that Income Generating Loan (IGL) is primarily intended to collect contractual cash flows being solely payments of principal and interest on the principal amount outstanding
- Accordingly, as required under Ind AS 109, the IGL loan portfolio which was earlier classified as and valued at "Fair Value through Comprehensive Income" have now been classified as and valued at "Amortised Cost" with effect from Q2 FY23
- The Company has consequently reversed accumulated fair value loss on such IGL loans amounting INR 63.0 Cr and related deferred tax in other equity

Technology Excellence Award

Best Technology of the Year 2022 - Financial Services

- Quantic India Technology Excellence Awards Bengaluru Edition recognizes technology leaders and innovators who demonstrate excellence through their solutions and impact on the business
- It is an opportunity for the industry to celebrate, recognize, and acknowledge the technology powerhouses situated in the South part of India
- With a foundational goal to experiment and excel, Quantic India extensive research and analysis has taken the transformational journey of Technology Excellence Awards to the next level of evolution

Discussion Summary

- Key Business Updates
- **Consolidated Results Overview**
- CA Grameen: Financial Metrics
- MMFL: Financial Metrics
- Investment Rationale
- Annexure

Q2 FY23: Consolidated Performance Highlights

CreditAccess Grameen

GLP: INR 16,539 Cr (+24.0% YoY)	NIM 12.0% Weighted Avg. COB 9.2%	Cost/Income Ratio 38.2% Opex/GLP Ratio 5.1%	PPOP INR 334 Cr (+52.9% YoY)
PAT: INR 176 Cr (+195.0% YoY)	ROA 4.0% ROE 16.1%	Capital Adequacy Ratio 25.0% Tier 1 Ratio 24.3%	Total Equity INR 4,493 Cr D/E Ratio 2.7
GNPA (GS3): 2.17% NNPA: 0.77% PAR 90+: 1.72%	Provisioning 2.46% Write-off INR 163 Cr	Branches 1,684 (+9.0% YoY) 16,018 Employees (+4.6% YoY)	Active Borrowers 37.98 Lakh[1] (+1.2% YoY)

1) 1,00,050 borrowers were written off during Q2 FY23 while 2,84,848 new borrowers were added during the same period

Q2 & H1 FY23: Consolidated P&L Statement

Profit & Loss Statement (INR Cr)	Q2 FY23	Q2 FY22	YoY%	Q1 FY23	QoQ%	H1 FY23	H1 FY22	YoY%	FY22
Interest Income	771.3	597.4	29.1%	736.2	4.8%	1,507.6	1,184.8	**27.2%**	2,567.3
- Interest on Loans [1]	**762.1**	588.1	29.6%	727.6	4.8%	1,489.7	1,163.7	28.0%	2,533.0
- Income from Securitisation	0.0	0.2	-	0.0	-	0.0	0.7	-	0.6
- Interest on Deposits with Banks and FIs	9.2	9.0	1.6%	8.7	5.9%	17.9	20.4	-12.3%	33.8
Income from Direct Assignment	18.1	0.0	-	5.1	253.9%	23.2	14.7	57.7%	70.0
Finance Cost on Borrowings	273.2	228.5	19.6%	279.8	-2.3%	553.0	477.7	15.8%	984.0
Cost on Financial Liability towards Securitisation	0.0	0.0	-	0.0	-	0.0	0.2	-	0.2
Net Interest Income	**516.2**	**368.9**	**39.9%**	**461.5**	**11.8%**	**977.7**	**721.6**	**35.5%**	**1,653.2**
Non-interest Income & Other Income [2]	24.9	21.1	17.8%	19.2	29.8%	44.1	36.5	20.9%	112.8
Total Net Income	**541.1**	**390.0**	**38.7%**	**480.7**	**12.6%**	**1,021.8**	**758.1**	**34.8%**	**1,766.0**
Employee Expenses	129.7	111.9	15.9%	123.9	4.7%	253.6	212.6	19.3%	437.7
Other Expenses	64.2	47.4	35.4%	55.2	16.4%	119.4	87.1	37.0%	203.6
Depreciation, Amortisation & Impairment	12.8	11.9	7.3%	11.9	7.6%	24.7	23.2	6.7%	47.2
Pre-Provision Operating Profit	**334.3**	**218.7**	**52.9%**	**289.7**	**15.4%**	**624.1**	**435.2**	**43.4%**	**1,077.5**
Impairment of Financial Instruments	105.4	139.9	-24.7%	100.9	4.4%	206.3	327.8	-37.1%	596.7
Profit Before Tax	**229.0**	**78.8**	**190.6%**	**188.8**	**21.3%**	**417.8**	**107.4**	**289.2%**	**480.8**
Total Tax Expense	52.9	19.1	176.9%	49.2	7.3%	102.1	27.4	273.2%	123.7
Profit After Tax	**176.1**	**59.7**	**195.0%**	**139.6**	**26.2%**	**315.7**	**80.0**	**294.6%**	**357.1**
Key Ratios	**Q2 FY23**	**Q2 FY22**		**Q1 FY23**		**H1 FY23**	**H1 FY22**		**FY22**
Portfolio Yield	19.1%	18.8%		18.4%		18.6%	18.4%		18.3%
Cost of Borrowings	9.2%	9.5%		9.1%		9.2%	9.6%		9.3%
NIM	12.0%	11.2%		11.1%		11.4%	10.6%		10.9%
Cost/Income Ratio	38.2%	43.9%		39.7%		38.9%	42.6%		39.0%
Opex/GLP Ratio	5.1%	5.3%		4.7%		4.9%	4.9%		4.9%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 20.5 Cr in Q2 FY23 (vs INR 20.6 Cr in Q2 FY22) and INR 42.5 Cr in H1 FY23 (vs INR 41.9 Cr in H1 FY22)
2) Bad debt recovery was INR 14.5 Cr in Q2 FY23 (vs INR 13.6 Cr in Q2 FY22) and INR 24.8 Cr in H1 FY23 (vs INR 18.4 Cr in H1 FY22)

Q2 & H1 FY23: Consolidated Balance Sheet

Balance Sheet (INR Cr)	Q2 FY23	Q2 FY22	YoY%	Q1 FY23	QoQ%	H1 FY23	H1 FY22	FY22
Cash & Other Bank Balances	757.9	1,515.9	-50.0%	1,369.2	-44.6%	757.9	1,515.9	1,761.4
Investments	389.2	107.0	263.7%	172.6	125.5%	389.2	107.0	0.0
Loans - (Net of Impairment Loss Allowance)	15,195.9	11,772.9	29.1%	14,137.6	7.5%	15,195.9	11,772.9	14,765.3
Loans - Securitised Assets	0.0	3.2	-	0.0	-	0.0	3.2	0.0
Property, Plant and Equipment	30.9	26.3	17.1%	30.6	0.8%	30.9	26.3	31.8
Intangible Assets	139.6	157.7	-11.5%	144.3	-3.3%	139.6	157.7	149.7
Right to Use Assets	68.6	66.6	3.0%	73.1	-6.2%	68.6	66.6	74.8
Other Financial & Non-Financial Assets	284.3	299.1	-4.9%	256.9	10.7%	284.3	299.1	294.2
Goodwill	317.6	317.6	0.0%	317.6	0.0%	317.6	317.6	317.6
Total Assets	**17,183.9**	**14,266.4**	**20.5%**	**16,501.9**	**4.1%**	**17,183.9**	**14,266.4**	**17,394.8**
Debt Securities	1,094.9	1,683.6	-35.0%	1,176.2	-6.9%	1,094.9	1,683.6	1,418.1
Borrowings (other than debt securities)	11,131.8	8,263.9	34.7%	10,624.3	4.8%	11,131.8	8,263.9	11,424.9
Subordinated Liabilities	81.4	106.6	-23.6%	79.5	2.4%	81.4	106.6	77.7
Financial Liability towards Portfolio Securitized	0.0	0.0	-	0.0	-	0.0	0.0	0.0
Lease Liabilities	81.1	76.3	6.3%	84.4	-3.9%	81.1	76.3	85.0
Other Financial & Non-financial Liabilities	301.5	265.5	13.6%	291.1	3.6%	301.5	265.5	313.0
Total Equity	**4,388.9**	**3,771.7**	**16.4%**	**4,146.1**	**5.9%**	**4,388.9**	**3,771.7**	**3,977.6**
Minority Interest	104.2	98.8	5.5%	100.2	4.1%	104.2	98.8	98.4
Total Liabilities and Equity	**17,183.9**	**14,266.4**	**20.5%**	**16,501.9**	**4.1%**	**17,183.9**	**14,266.4**	**17,394.8**
Key Ratios	**Q2 FY23**	**Q2 FY22**		**Q1 FY23**		**H1 FY23**	**H1 FY22**	**FY22**
ROA	4.0%	1.6%		3.1%		3.5%	1.0%	2.2%
D/E	2.7	2.6		2.8		2.7	2.6	3.2
ROE	16.1%	6.2%		13.4%		14.8%	4.2%	9.1%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	2.17%	7.67%		3.11%		2.17%	7.67%	3.61%
Provisioning	2.46%	5.90%		3.01%		2.46%	5.90%	3.44%

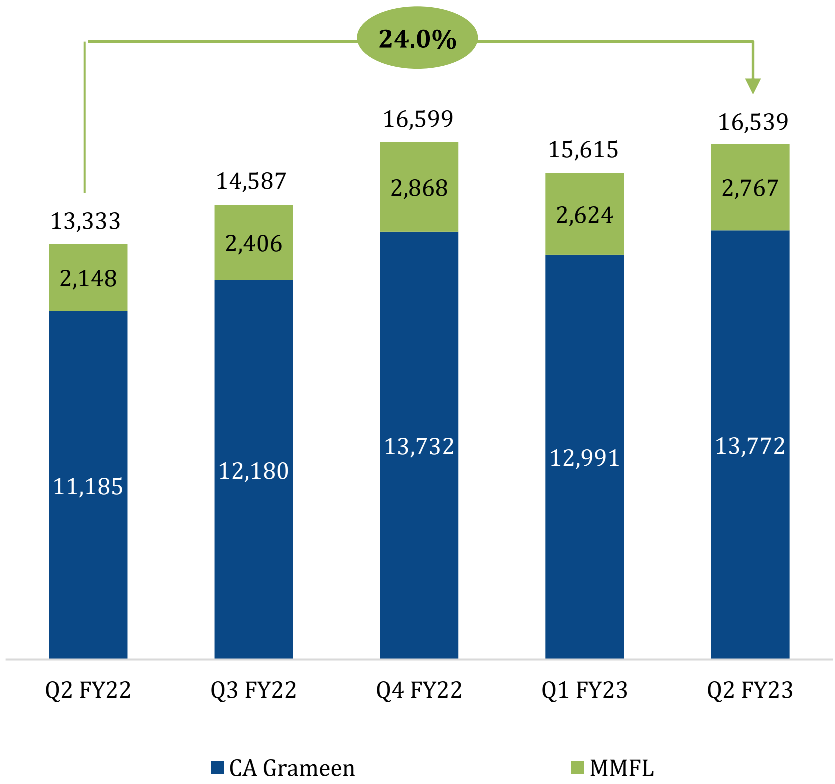
Q2 & H1 FY23: Understanding the Credit Cost Impact

CreditAccess Grameen

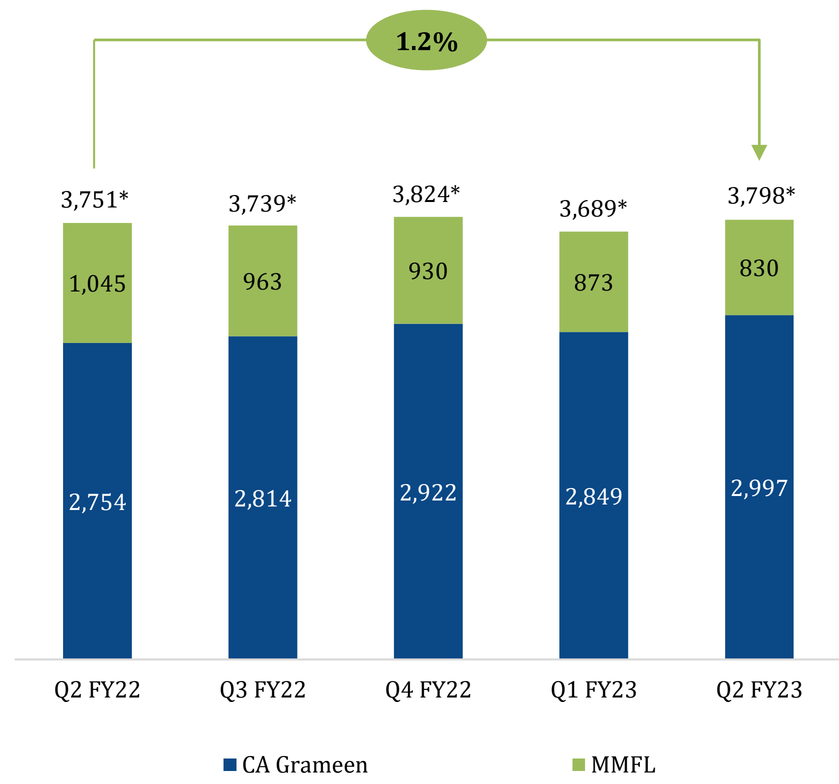
Consolidated (INR Cr)	Q2 FY23	H1 FY23
Opening ECL - (A)	443.7	533.9
Additions (B)		
- Provisions as per ECL	53.2	92.2
Reversals (on account of write-off) (C)	110.7	240.0
Closing ECL (D = A+B-C)	386.1	386.1
Write-off (E)	162.9	354.0
Credit Cost (F = B-C+E)	**105.4**	**206.3**
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non-annualised)	**0.7%**	**1.4%**
Bad-Debt Recovery (G)	14.5	24.8
Net P&L Impact (F – G)	**90.9**	**181.5**
Net P&L Impact – % of Avg. On-Book Loan Portfolio (non-annualised)	**0.6%**	**1.2%**

Q2 FY23: Continued Business Traction with Rural Focus

Gross Loan Portfolio (GLP) (INR Cr)



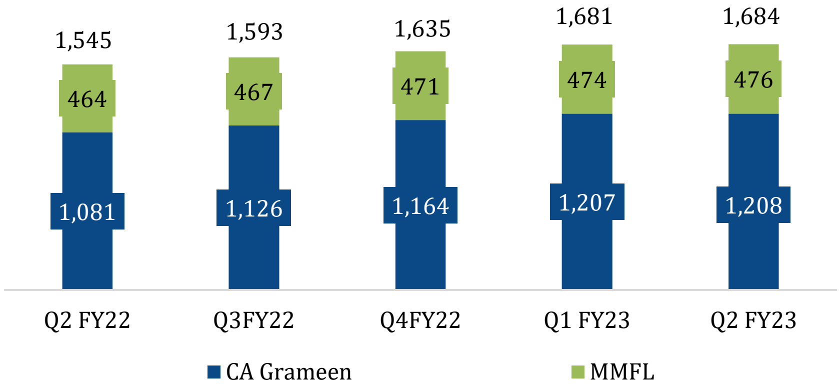
Borrowers ('000)



* Excluding common borrowers

Q2 FY23: Consistent Growth in Infrastructure

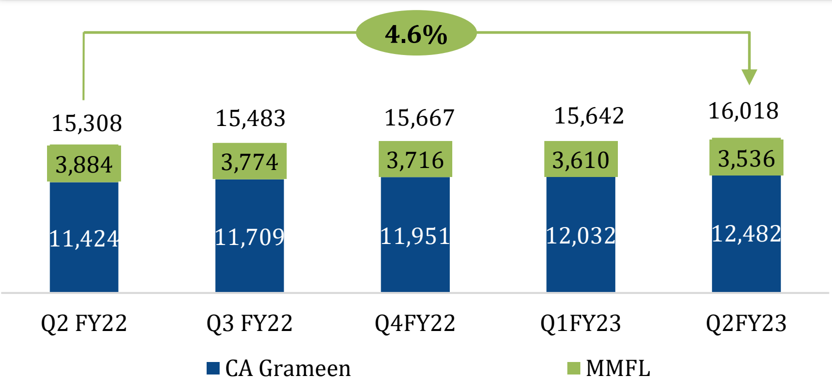
Branches



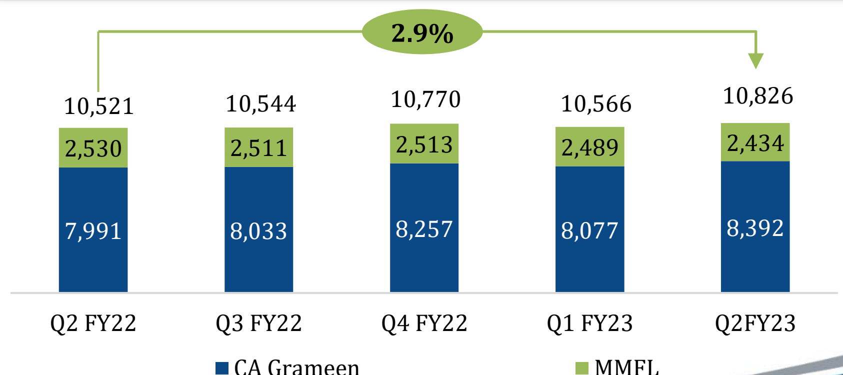
States	FY22	Q1 FY23	Q2 FY23
Bihar	35	10	-
Chhattisgarh	5	2	-
Gujarat	28	5	1
Jharkhand	10	5	-
Madhya Pradesh	20	1	-
Karnataka	10	-	-
Kerala	6	-	-
Maharashtra	6	9	-
Odisha	9	-	-
Rajasthan	35	6	-
Tamil Nadu	1	-4 *	-
Uttar Pradesh	35	5	-
West Bengal	11	7	2
Total	**211**	**46**	**3**

* At MMFL, 2 branches were merged while 2 business correspondent (BC) branches got closed

Employees

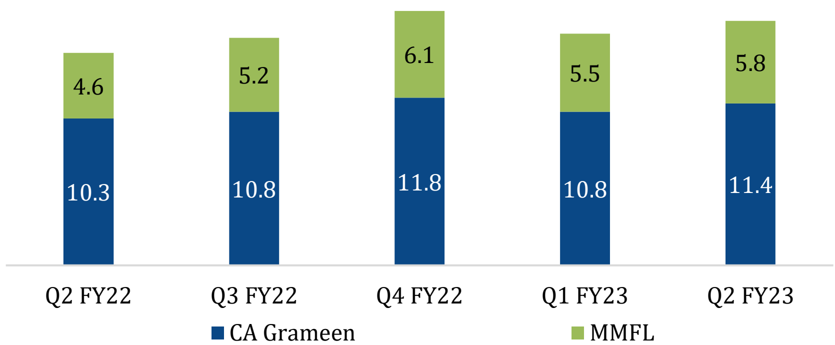


Loan Officers

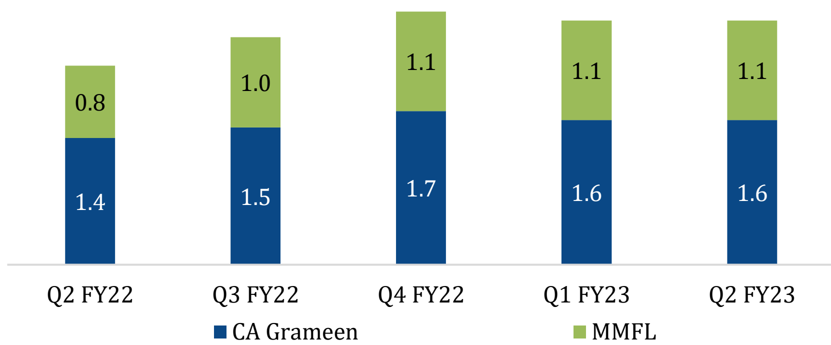


Q2 FY23: Sustainable Operational Efficiency

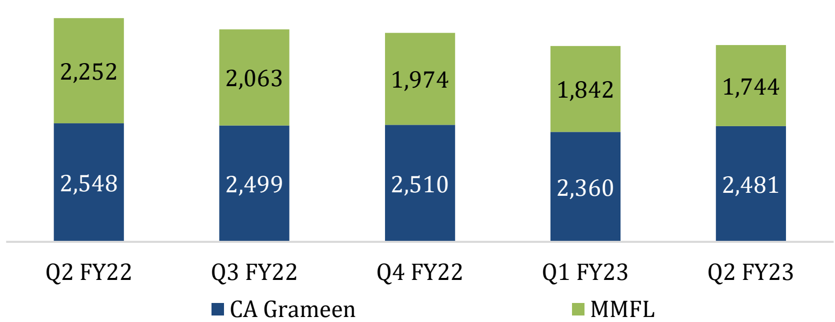
GLP / Branch (INR Cr)



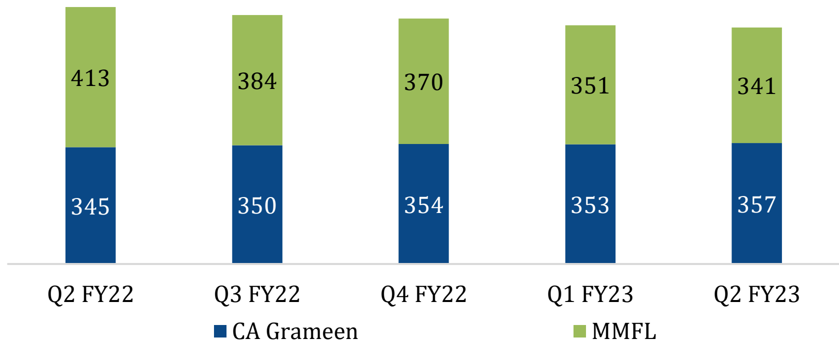
GLP / Loan Officer (INR Cr)



Borrowers / Branch



Borrowers / Loan Officer



Q2 FY23: Product Range To Meet Diverse Customer Needs

GLP - Product Mix	Q2 FY22 (INR Cr)	Q2 FY22 % of Total	Q3 FY22 (INR Cr)	Q3 FY22 % of Total	Q4 FY22 (INR Cr)	Q4 FY22 % of Total	Q1 FY23 (INR Cr)	Q1 FY23 % of Total	Q2 FY23 (INR Cr)	Q2 FY23 % of Total
IGL (Incl. MMFL)	12,613	95%	13,894	95%	15,949	96%	14,937	96%	15,801	96%
Family Welfare	55	0%	59	0%	38	0%	121	1%	185	1%
Home Improvement	331	3%	371	3%	414	3%	408	2%	429	2%
Emergency	3	0%	1	0%	3	0%	4	0%	7	0%
Retail Finance	330	2%	263	2%	196	1%	145	1%	117	1%
Total	**13,333**	**100%**	**14,587**	**100%**	**16,599**	**100%**	**15,615**	**100%**	**16,539**	**100%**

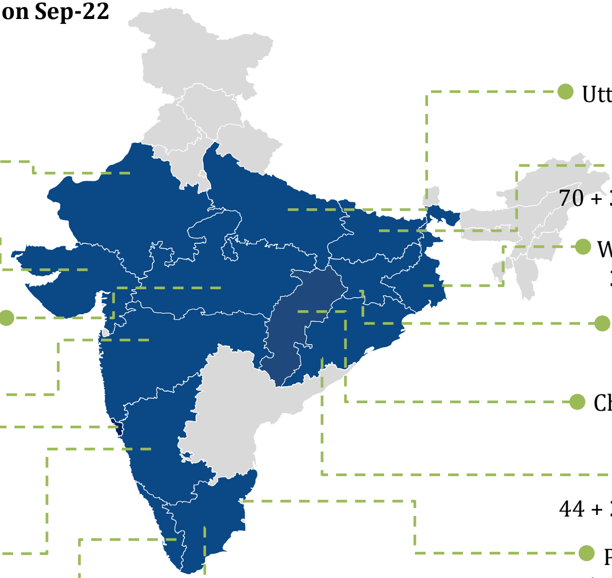
GLP – Avg. O/S Per Loan (INR '000)	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23
IGL (Incl. MMFL)	26.6	29.5	32.1	30.3	30.0
Family Welfare	4.5	4.5	3.7	9.4	11.0
Home Improvement	9.3	9.6	10.0	9.7	9.4
Emergency	0.9	0.6	0.6	0.8	0.5
Retail Finance	52.9	48.9	47.2	48.8	48.0
Total	**25.1**	**27.6**	**29.8**	**28.1**	**27.4**

GLP – Avg. O/S Per Borrower (INR '000)	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23
CA Grameen	40.6	43.3	47.0	45.6	46.0
MMFL	20.6	24.9	30.8	30.1	33.3
Total	**35.5**	**39.0**	**43.4**	**42.3**	**43.5**

Q2 FY23: Well-Diversified Presence Across India

CreditAccess® Grameen

Our Presence as on Sep-22
14 States & 1 UT
333 Districts
1,684 Branches



Consolidated Exposure of Districts (% of GLP)	Q2 FY23 No. of Districts	Q2 FY23 % of Total Districts
< 0.5%	271	81%
0.5% - 1%	37	11%
1% - 2%	21	6%
2% - 4%	4	1%
> 4%	0	0%
Total	**333**	**100%**

Consolidated District in terms of GLP	Q2 FY23 % of Total GLP
Top 1	3%
Top 3	9%
Top 5	13%
Top 10	21%
Other	79%

Q2 FY23 Consolidated	Branches	% Share	Borrowers ('000)	% Share	GLP (INR Cr)	% Share
Karnataka	308	18.3%	1,047	27.6%	5,829	35.2%
Maharashtra	294	17.5%	771	20.3%	3,491	21.1%
Tamil Nadu	378	22.4%	853	22.5%	3,460	20.9%
Madhya Pradesh	141	8.4%	307	8.1%	1,114	6.7%
Other States & UT	563	33.4%	821	21.6%	2,645	16.0%
Total	**1,684**	**100.0%**	**3,798***	**100.0%**	**16,539**	**100.0%**

* Excluding 28,477 Common Borrowers

Discussion Summary

Key Business Updates

Consolidated Results Overview

CA Grameen: Financial Metrics

MMFL: Financial Metrics

Investment Rationale

Annexure

Q2 FY23: CA Grameen Standalone Performance Highlights

GLP: INR 13,772 Cr
(+23.1% YoY)

NIM
12.1%

Weighted Avg. COB
9.1%

Cost/Income Ratio
36.9%

Opex/GLP Ratio
5.0%

PPOP
INR 285 Cr
(+51.2% YoY)

PAT: INR 159 Cr
(+120.5% YoY)

ROA
4.2%

ROE
15.1%

Capital Adequacy Ratio
29.0%

Tier 1 Ratio
28.2%

Total Equity
INR 4,332 Cr

D/E Ratio
2.3

GNPA (GS3): 1.73%

NNPA: 0.47%

PAR 90+: 1.39%

Provisioning
2.29%

Write-off
INR 113 Cr

Branches 1,208
(+11.7% YoY)

12,482 Employees
(+9.3% YoY)

Active Borrowers
29.96 Lakh[1]
(+8.8% YoY)

1) 33,909 borrowers were written off during Q2 FY23 while 2,43,715 new borrowers were added during the same period

Q2 & H1 FY23: CA Grameen Standalone P&L Statement

Profit & Loss Statement (INR Cr)	Q2 FY23	Q2 FY22	YoY%	Q1 FY23	QoQ%	H1 FY23	H1 FY22	YoY%	FY22
Interest Income	**644.7**	**492.0**	**31.0%**	**607.3**	**6.1%**	**1,252.0**	**975.6**	**28.3%**	**2,124.8**
- Interest on Loans [1]	637.1	485.2	31.3%	599.9	6.2%	1,236.9	960.5	28.8%	2,099.3
- Interest on Deposits with Banks and FIs	7.6	6.8	12.2%	7.5	2.1%	15.1	15.1	0.0%	25.5
Income from Direct Assignment	10.9	0.0	-	-1.4	-	9.5	14.7	-35.3%	70.0
Finance Cost on Borrowings	221.3	182.7	21.1%	225.6	-1.9%	446.9	379.1	17.9%	788.1
Net Interest Income	**434.3**	**309.3**	**40.4%**	**380.3**	**14.2%**	**814.6**	**611.2**	**33.3%**	**1,406.6**
Non-interest Income & Other Income [2]	16.7	18.3	-9.0%	15.3	8.9%	32.8	31.1	2.6%	96.4
Total Net Income	**451.0**	**327.6**	**37.7%**	**395.6**	**14.0%**	**846.6**	**642.3**	**31.8%**	**1,503.1**
Employee Expenses	105.9	90.4	17.1%	99.2	6.8%	205.0	170.5	20.3%	353.5
Other Expenses	52.6	42.5	24.0%	43.9	19.8%	96.6	74.1	30.3%	161.3
Depreciation, Amortisation & Impairment	7.9	6.5	22.0%	6.8	15.8%	14.8	12.6	17.4%	26.2
Pre-Provision Operating Profit	**284.5**	**188.2**	**51.2%**	**245.7**	**15.8%**	**530.2**	**385.2**	**37.6%**	**962.1**
Impairment of Financial Instruments	78.0	91.1	-14.4%	66.3	17.5%	144.3	247.4	-41.7%	449.4
Profit Before Tax	**206.6**	**97.1**	**112.7%**	**179.3**	**15.2%**	**385.9**	**137.8**	**180.0%**	**512.6**
Total Tax Expense	47.8	25.1	90.5%	46.8	2.3%	94.6	36.2	161.1%	130.5
Profit After Tax	**158.7**	**72.0**	**120.5%**	**132.6**	**19.7%**	**291.3**	**101.6**	**186.8%**	**382.1**
Key Ratios	**Q2 FY23**	**Q2 FY22**		**Q1 FY23**		**H1 FY23**	**H1 FY22**		**FY22**
Portfolio Yield	19.1%	18.5%		18.4%		18.6%	18.2%		18.3%
Cost of Borrowings	9.1%	9.3%		9.0%		9.1%	9.3%		9.2%
NIM	12.1%	11.3%		11.2%		11.6%	10.7%		11.1%
Cost/Income Ratio	36.9%	42.5%		37.9%		37.4%	40.0%		36.0%
Opex/GLP Ratio	5.0%	5.1%		4.5%		4.7%	4.7%		4.6%

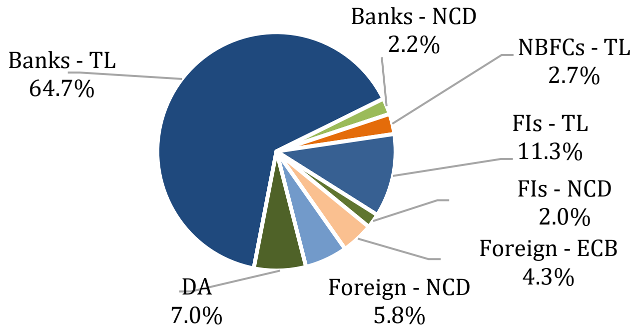
1) Interest income (on Stage 3 portfolio) de-recognized was INR 14.8 Cr in Q2 FY23 (vs INR 20.6 Cr in Q2 FY22) and INR 32.4 Cr in H1 FY23 (vs INR 40.5 Cr in H1 FY22)
2) Bad debt recovery was INR 7.9 Cr in Q2 FY23 (vs INR 11.9 Cr in Q2 FY22) and INR 14.7 Cr in H1 FY23 (vs INR 15.4 Cr in H1 FY22)

Q2 & H1 FY23: CA Grameen Standalone Balance Sheet

Balance Sheet (INR Cr)	Q2 FY23	Q2 FY22	YoY%	Q1 FY23	QoQ%	H1 FY23	H1 FY22	FY22
Cash & Other Bank Balances	482.7	1,260.0	-61.7%	1,122.8	-57.0%	482.7	1,260.0	1,534.3
Investments	389.2	107.0	263.7%	172.6	125.5%	389.2	107.0	0.0
Loans - (Net of Impairment Loss Allowance)	12,834.2	9,857.8	30.2%	11,865.1	8.2%	12,834.2	9,857.8	12,201.6
Property, Plant and Equipment	25.8	20.0	29.4%	25.3	2.4%	25.8	20.0	26.1
Intangible Assets	15.9	16.7	-5.2%	16.3	-2.5%	15.9	16.7	17.4
Right to Use Assets	68.6	66.2	3.7%	73.0	-6.1%	68.6	66.2	74.6
Other Financial & Non-Financial Assets	260.3	278.8	-6.6%	235.1	10.7%	260.3	278.8	277.8
Investment in MMFL	663.3	662.7	0.1%	663.3	0.0%	663.3	662.7	663.3
Total Assets	**14,740.0**	**12,269.2**	**20.1%**	**14,173.4**	**4.0%**	**14,740.0**	**12,269.2**	**14,795.1**
Debt Securities	1,094.4	1,569.2	-30.3%	1,175.7	-6.9%	1,094.4	1,569.2	1,372.8
Borrowings (other than debt securities)	8,971.8	6,635.2	35.2%	8,550.7	4.9%	8,971.8	6,635.2	9,112.3
Subordinated Liabilities	0.0	25.0	-100.0%	0.0	-	0.0	25.0	0.0
Lease Liabilities	81.1	75.8	7.1%	84.4	-3.9%	81.1	75.8	84.8
Other Financial & Non-financial Liabilities	260.4	233.6	11.4%	260.1	0.1%	260.4	233.6	285.4
Total Equity	**4,332.2**	**3,730.4**	**16.1%**	**4,102.5**	**5.6%**	**4,332.2**	**3,730.4**	**3,939.8**
Total Liabilities and Equity	**14,740.0**	**12,269.2**	**20.1%**	**14,173.4**	**4.0%**	**14,740.0**	**12,269.2**	**14,795.1**
Key Ratios	**Q2 FY23**	**Q2 FY22**		**Q1 FY23**		**H1 FY23**	**H1 FY22**	**FY22**
ROA	4.2%	2.2%		3.4%		3.8%	1.5%	2.7%
D/E	2.3	2.2		2.4		2.3	2.2	2.7
ROE	15.1%	7.8%		13.2%		14.1%	5.5%	10.1%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	1.73%	7.18%		2.54%		1.73%	7.18%	3.12%
Provisioning	2.29%	5.51%		2.73%		2.29%	5.51%	3.19%

Q2 FY23: Well-Diversified Liability Mix

Liability Mix - Institution / Instrument Wise (%)

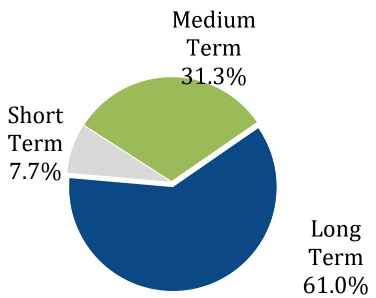


Note: O/S Direct Assignment (Sold Portion) - INR 758.5 Cr

Focus on dynamic liability management

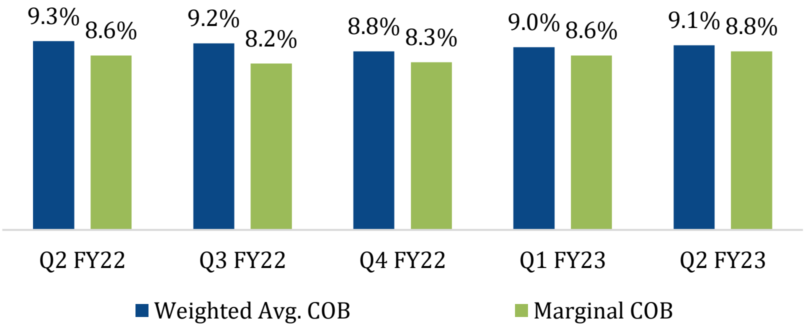
- Focus on long-term funding with strong diversification between domestic & foreign sources
- Target to meet funding requirements through foreign/long-term sources over the medium term, with diversified products
- Diverse lenders' base:
    - 41 Commercial Banks, 2 Financial Institutions, 8 Foreign Institutional Investors, 5 NBFCs
- Continued focus to minimize the cost of borrowing
- **Optimal cost of borrowing despite rising interest rates**: Weighted average cost and the marginal cost of borrowing increased by only 30 bps and 50 bps respectively from Q4 FY22 to Q2 FY23

Liability Mix - Tenure Wise (%)



	Source	% Mix
Short Term <= 1 year (incl. DA)	Domestic	7.7%
Medium Term > 1 year, <= 2 years	Domestic	29.7%
	Foreign	1.6%
Long Term > 2 years	Domestic	50.9%
	Foreign	10.1%

Cost of Borrowing (%)



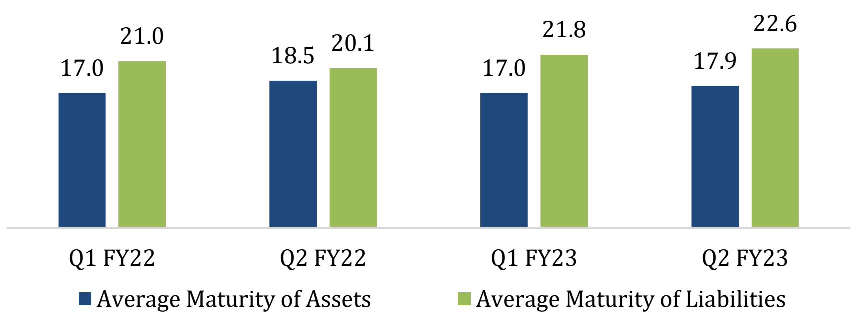
Q2 FY23: Stable Liquidity/ ALM Position/ Credit Ratings

Static Liquidity / ALM Position	For the Month			For the Financial Year	
Particulars (INR Cr)	**Oct-22**	**Nov-22**	**Dec-22**	**FY23 (Oct-22 to Mar-23)**	**FY24**
Opening Cash & Equivalents (A)	983.3	1,220.5	1,558.8	1,763.9	2,898.4
Loan recovery [Principal] (B)	806.4	848.7	824.0	4,732.9	6,659.3
Total Inflow (C=A+B)	**1,789.8**	**2,069.2**	**2,382.8**	**6,496.8**	**9,557.7**
Borrowing Repayment [Principal]					
Term loans and Others (D)	434.8	384.2	503.2	2,790.0	3,997.0
NCDs (E)	0.0	0.0	0.0	171.0	604.0
Direct Assignment (F)	134.4	126.3	115.6	637.4	468.5
Total Outflow G=(D+E+F)	**569.2**	**510.5**	**618.9**	**3,598.4**	**5,069.5**
Closing Cash & equivalents (H= C-G)	1,220.5	1,558.8	1,763.9	2,898.4	4,488.1
Static Liquidity (B-G)	**237.2**	**338.2**	**205.2**	**1,134.5**	**1,589.7**

Debt Diversification	Q2 FY23
Total Drawdowns	**2,305.5**
Domestic *	91%
Foreign	9%
Undrawn Sanction	**3,839**
Domestic	62%
Foreign	38%
Sanctions in Pipeline	**5,113**
Domestic	81%
Foreign	19%

* Includes Direct Assignment of 201.1 Cr

Positive ALM Mismatch (in Months)

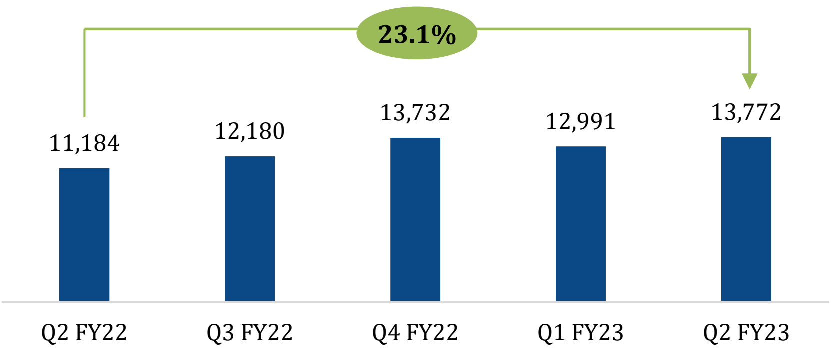


Rating Instrument	Rating Agency	Rating/Grading
Bank Facilities	Ind-Ra	AA- (Stable)
	ICRA	A+ (Positive)
	CRISIL	A+ (Positive)
Non-Convertible Debentures	Ind-Ra	AA- (Stable)
	ICRA	A+ (Positive)
	CRISIL	A+ (Positive)
Commercial Paper	ICRA	A1+
Comprehensive Microfinance Grading *	CRISIL	M1C1
Client Protection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

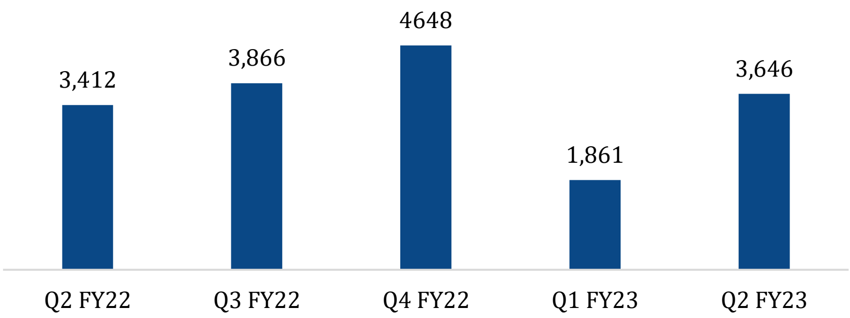
* Institutional Grading/Code of Conduct Assessment (COCA)

Q2 FY23: Robust Quarterly Performance Trend (1/2)

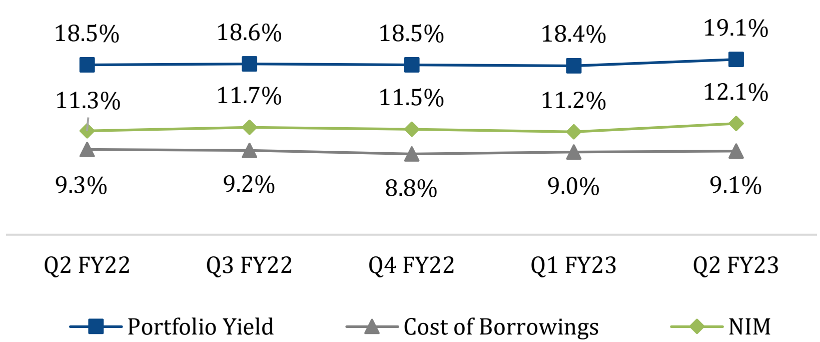
Gross Loan Portfolio (GLP) (INR Cr)



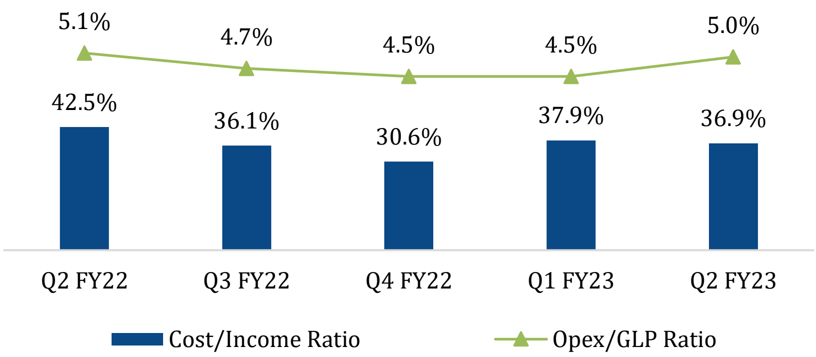
Disbursements (INR Cr)



Margin Analysis (%)

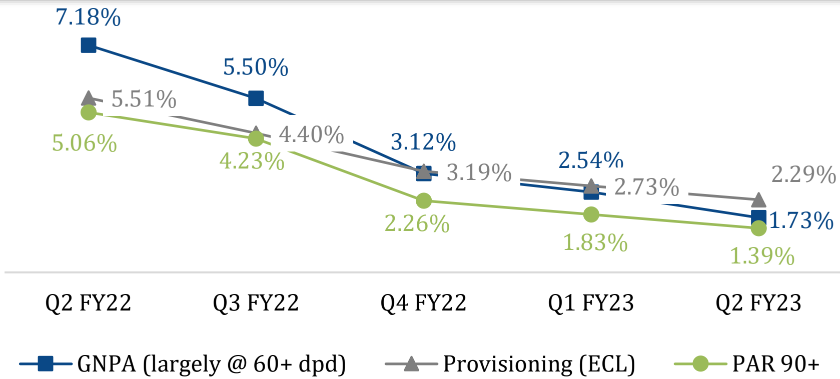


Operating Efficiency (%)

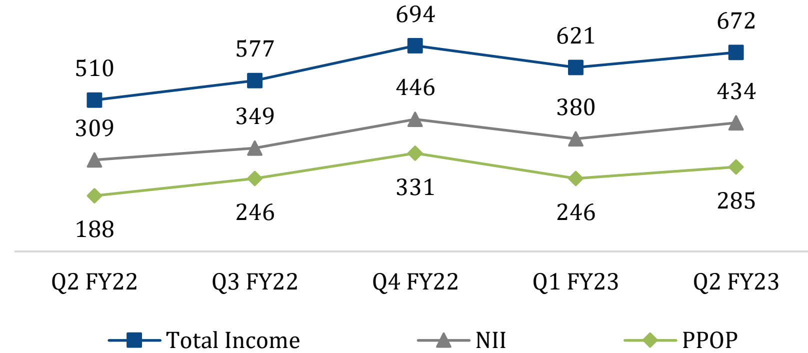


Q2 FY23: Robust Quarterly Performance Trend (2/2)

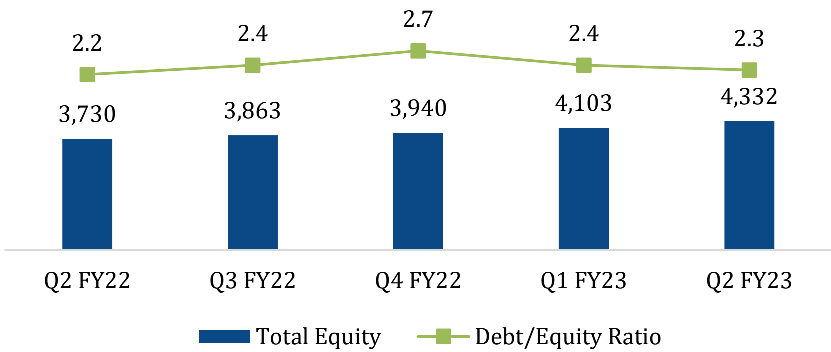
Asset Quality (%)



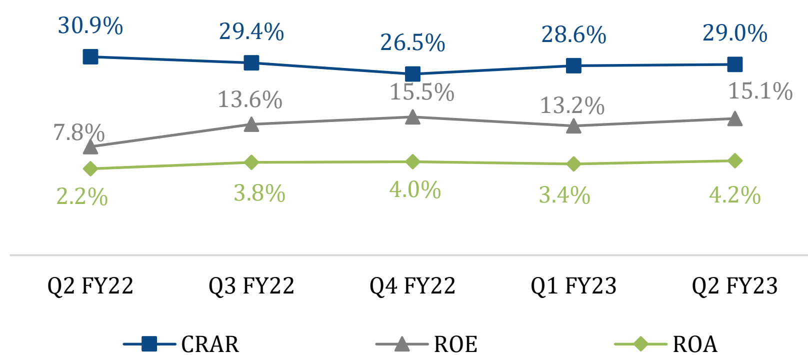
Total Income, NII, PPOP (INR Cr)



Total Equity (INR Cr) & Debt/Equity Ratio



Return Ratios & Capital Adequacy (%)



Discussion Summary

Key Business Updates

Consolidated Results Overview

CA Grameen: Financial Metrics

MMFL: Financial Metrics

Investment Rationale

Annexure

Q2 FY23: MMFL Performance Highlights

GLP INR 2,767 Cr (28.8% YoY)	NIM 10.4% Weighted Avg. COB 9.9%	Cost/Income Ratio 40.2% Opex/GLP Ratio 5.4%	PPOP INR 54 Cr (81.5%)
PAT INR 20 Cr (247.5% YoY)	ROA 2.8% ROE 20.0%	Capital Adequacy Ratio 22.5% Tier 1 Ratio 14.8%	Total Equity INR 419 Cr D/E Ratio 5.7x
GNPA (GS3): 4.37% NNPA: 2.27% PAR 90+: 3.33%	Provisioning 3.35% Write-off 50 Cr	Branches 476 (2.6% YoY) Employees 3,536 (-9.0% YoY)	Active Borrowers 8.30 Lakh[1] (-20.6%)

1) 66,141 borrowers were written off during Q2 FY23 while 41,133 new borrowers were added during the same period

Q2 & H1 FY23: MMFL P&L Statement

Profit & Loss Statement (INR Cr)	Q2 FY23	Q2 FY22	YOY%	Q1 FY23	QoQ %	H1 FY23	H1 FY22	YoY%	FY22
Interest income	131.7	105.4	25.0%	134.0	-1.6%	265.7	209.2	27.0%	446.1
- Interest on Loans	130.2	102.9	26.5%	132.8	-1.9%	262.9	203.2	29.4%	437.3
- Income from Securitisation	0.0	0.2	-	0.0	-	0.0	0.7	-100.0%	0.6
- Interest on Deposits with Banks and FIs	1.6	2.2	-30.4%	1.2	30.0%	2.8	5.3	-47.6%	8.3
Income from Direct Assignment	7.2	0.0	-	6.5	10.7%	13.7	0.0	-	0.0
Finance Cost on Borrowings	57.1	46.7	22.3%	59.2	-3.6%	116.3	99.5	16.9%	201.0
Cost on Financial Liability towards Securitisation	0.0	0.0	-	0.0	-	0.0	0.2	-100.0%	0.2
Net Interest Income	**81.9**	**58.7**	**39.4%**	**81.2**	**0.8%**	**163.1**	**109.4**	**49.0%**	**244.9**
Non-interest Income & Other Income	8.2	2.9	189.0%	4.0	108.5%	12.2	6.2	96.6%	16.7
Total Net Income	**90.1**	**61.6**	**46.4%**	**85.2**	**5.8%**	**175.3**	**115.6**	**51.6%**	**261.6**
Employee Expenses	23.8	21.4	11.2%	24.7	-3.8%	48.6	42.0	15.5%	84.1
Other Expenses	11.6	9.1	27.3%	11.3	2.5%	22.8	17.9	27.4%	42.6
Depreciation, Amortisation & Impairment	0.8	1.4	-41.0%	1.0	-17.2%	1.8	2.4	-26.7%	4.6
Pre-Provision Operating Profit	**53.9**	**29.7**	**81.5%**	**48.2**	**11.9%**	**102.1**	**53.3**	**91.7%**	**130.3**
Impairment of Financial Instruments	27.4	48.8	-43.9%	34.6	-20.8%	62.0	80.4	-22.9%	147.3
Profit Before Tax	**26.5**	**-19.1**	**238.8%**	**13.6**	**94.8%**	**40.1**	**-27.1**	**247.9%**	**-17.0**
Total Tax Expense	6.1	-5.2	215.8%	3.5	71.9%	9.6	-7.1	235.7%	-3.1
Profit After Tax	**20.5**	**-13.9**	**247.5%**	**10.1**	**102.8%**	**30.6**	**-20.1**	**252.2%**	**-13.9**
Key Ratios	**Q2 FY23**	**Q2 FY22**		**Q1 FY23**		**H1 FY23**	**H1 FY22**		**FY22**
Portfolio Yield	19.3%	20.0%		18.8%		18.8%	19.5%		18.6%
Cost of Borrowings	9.9%	10.6%		9.7%		9.8%	10.6%		10.2%
NIM	10.4%	10.6%		9.9%		10.1%	9.6%		9.7%
Cost/Income Ratio	40.2%	51.8%		43.4%		41.7%	53.9%		50.2%
Opex/GLP Ratio	5.4%	6.1%		5.4%		5.3%	5.8%		5.6%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 5.7 Cr in Q2 FY23 (vs INR 0.0 Cr in Q2 FY22) and INR 10.1 Cr in H1 FY23 (vs INR 1.4 Cr in H1 FY22)
2) Bad debt recovery was INR 6.6 Cr in Q2 FY23 (vs INR 1.7 Cr in Q2 FY22) and INR 10.1 Cr in H1 FY23 (vs INR 3.0 Cr in H1 FY22)

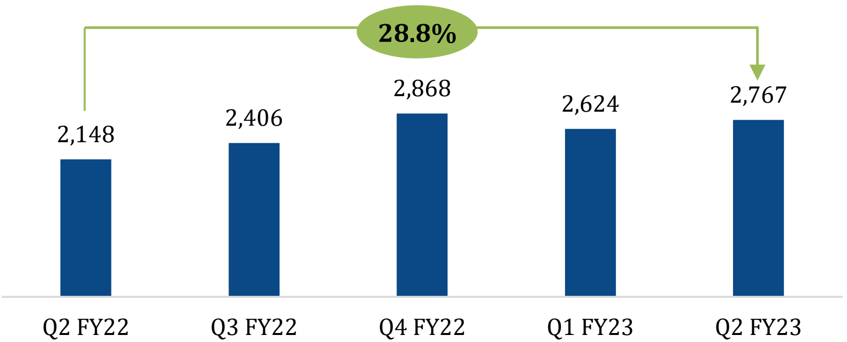
Q2 & H1 FY23: MMFL Balance Sheet

Balance Sheet (INR Cr)	Q2FY23	Q2FY22	YOY%	Q1FY23	QoQ %	H1 FY23	H1 FY22	FY22
Cash & Other Bank Balances	274.4	251.9	8.9%	244.6	12.2%	274.4	251.9	227.0
Balance Sheet Assets (Net of Impairment Loss Allowance)	2,511.3	1,915.1	31.1%	2,422.1	3.7%	2,511.3	1,915.1	2,713.3
Securitised Assets	0.0	3.3	-100.0%	0.0		0.0	3.3	0.0
Property, Plant and Equipment	5.0	6.4	-21.7%	5.3	-6.6%	5.0	6.4	5.6
Intangible Assets	2.5	3.3	-25.5%	2.7	-7.9%	2.5	3.3	2.9
Right to Use Assets	0.0	0.5	-100.0%	0.0	-100.0%	0.0	0.5	0.1
Other Financial & Non-Financial Assets	56.0	57.3	-2.3%	54.8	2.1%	56.0	57.3	49.2
Total Assets	**2,849.1**	**2,237.6**	**27.3%**	**2,729.6**	**4.4%**	**2,849.1**	**2,237.6**	**2,998.2**
Debt Securities	0.0	114.1	-100.0%	0.0		0.0	114.1	44.8
Borrowings (other than debt securities)	2,160.0	1,627.9	32.7%	2,073.6	4.2%	2,160.0	1,627.9	2,312.5
Subordinated Liabilities	228.3	78.6	190.4%	226.4	0.8%	228.3	78.6	224.5
Financial Liability towards Portfolio Securitized	0.0	0.1	-100.0%	0.0		0.0	0.1	0.0
Lease Liabilities	0.0	0.5	-100.0%	0.1	-100.0%	0.0	0.5	0.2
Other Financial & Non-financial Liabilities	42.3	35.0	21.1%	31.3	35.2%	42.3	35.0	28.4
Total Equity	**418.6**	**381.4**	**9.7%**	**395.2**	**5.9%**	**418.6**	**381.4**	**387.7**
Total Liabilities and Equity	**2,849.1**	**2,237.6**	**27.3%**	**2,726.6**	**4.5%**	**2,849.1**	**2,237.6**	**2,998.2**

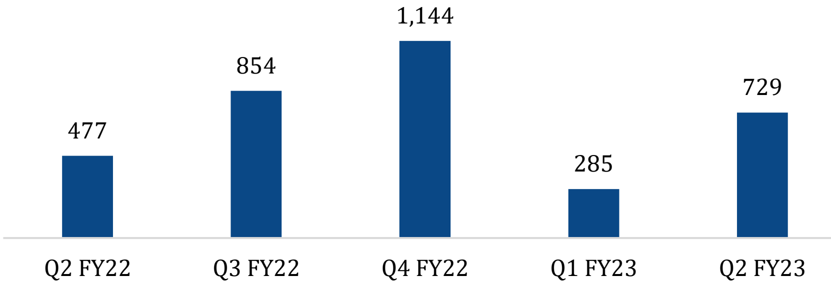
Key Ratios	Q2FY23	Q2FY22	Q1FY23	H1 FY23	H1 FY22	FY22
ROA	2.8%	-2.3%	1.4%	2.1%	-1.6%	-0.5%
D/E	5.7	4.8	5.8	5.7	4.8	6.7
ROE	20.0%	-14.3%	10.3%	15.2%	-10.2%	-3.6%
GNPA (60+ dpd beginning from Q2 FY22)	4.37%	10.15%	5.83%	4.37%	10.15%	5.82%
Provisioning	3.35%	7.83%	4.33%	3.35%	7.83%	4.57%

Q2 FY23: MMFL Quarterly Performance Trend (1/2)

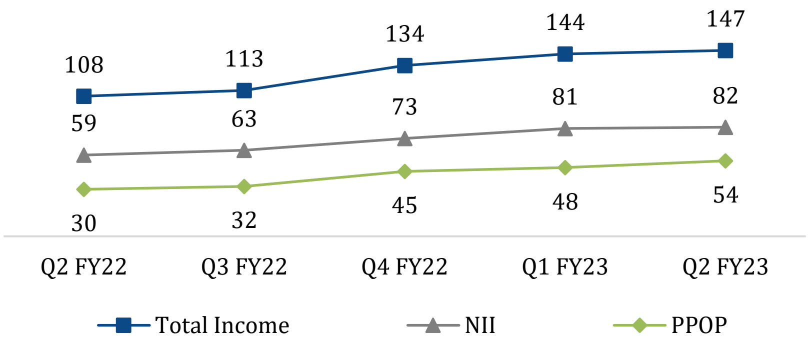
Gross Loan Portfolio (GLP) (INR Cr)



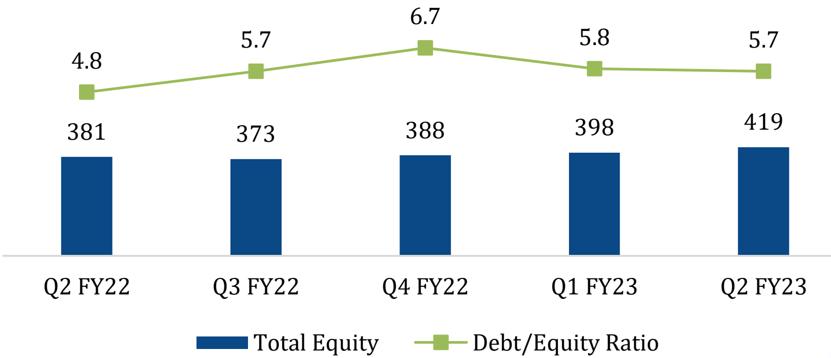
Disbursements (INR Cr)



Total Income, NII, PPOP (INR Cr)



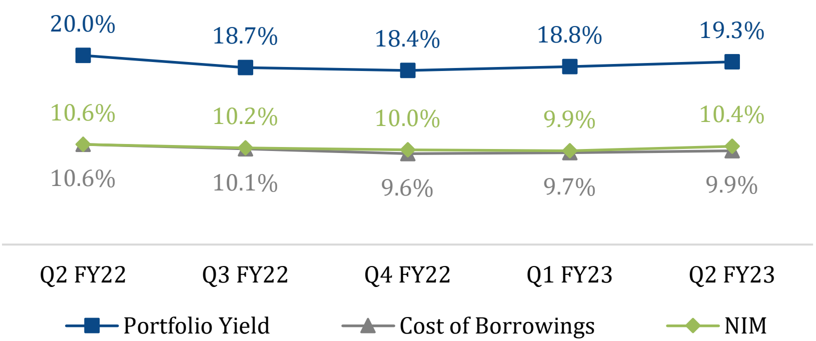
Total Equity (INR Cr) & Debt/Equity Ratio



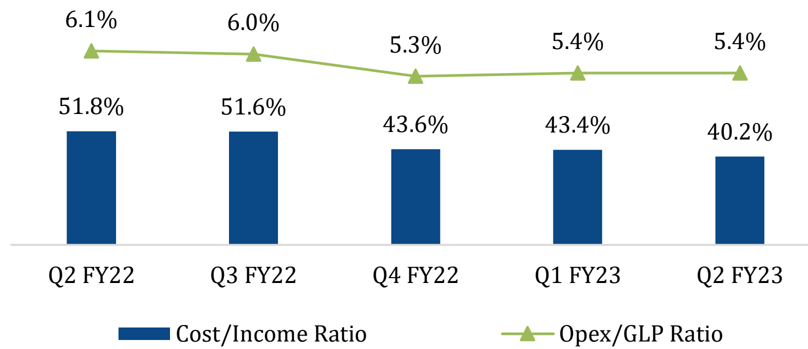
Q2 FY23: MMFL Quarterly Performance Trend (2/2)

CreditAccess® Grameen

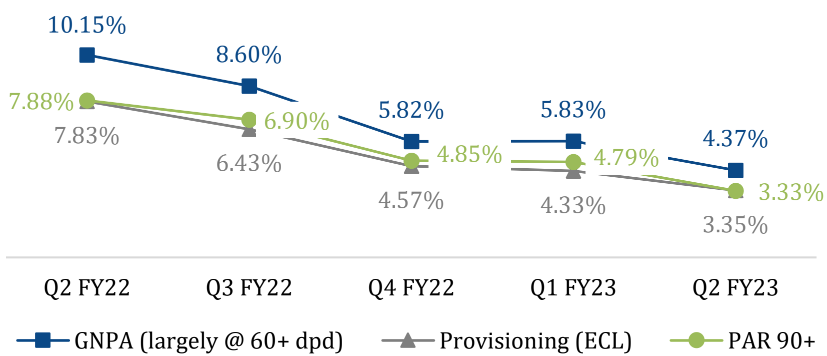
Margin Analysis (%)



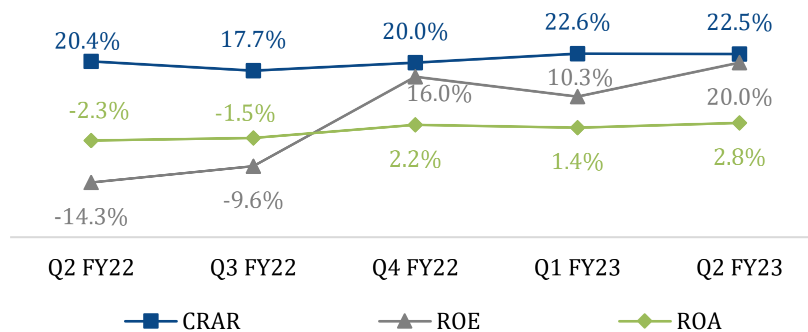
Operating Efficiency (%)



Asset Quality (%)



Return Ratios & Capital Adequacy (%)



Q2 FY23: MMFL Diversified Liability, Stable Liquidity, Positive ALM

Liability Mix – Institution / Instrument Wise	Q2 FY23
Banks – Term Loan	71.7%
FIs – Term Loan	6.2%
NBFCs – Term Loan	6.5%
Sub-Debt	8.8%
Direct Assignment [1]	6.7%

1) O/S Direct Assignment (Sold Portion): INR 172.3 Cr

Liability Mix – Tenure Wise	Q2 FY23
<= 1 Years	3.2%
> 1 & <= 2 Years	62.2%
> 2 Years	34.6%

Credit Rating	Rating Agency	Rating / Grading
Bank Facilities	ICRA CARE	A- (OWP)
Sub- Debt	ICRA	A- (OWP)
MFI	CARE	MFI2+

OWP – On watch with positive implication

Static Liquidity / ALM Position	For the month		
Particulars (INR Cr)	Oct-22	Nov-22	Dec-22
Opening Cash & Equivalents (A)	262.0	303.0	357.0
Loan recovery [Principal] (B)	210.9	215.4	222.1
Total Inflow (C=A+B)	**472.9**	**518.4**	**579.1**
Borrowing Repayment [Principal]			
Term loans and Others (D)	153.4	145.4	162.6
Securitisation and DA (E)	16.5	16.0	15.9
Total Outflow G=(D+E)	**169.9**	**161.4**	**178.5**
Closing Cash & equivalents (H= C-G)	303.0	357.0	400.6
Static Liquidity (B-G)	**41.0**	**54.0**	**43.6**

Debt Drawdowns (INR Cr)	Q2 FY23	Undrawn Sanctions as on 30th September 2022	Sanctions in Pipeline as on 30th September 2022
NBFCs – TL	45.0	**INR 185 Cr**	**INR 525 Cr**
Banks – TL	434.0		
Direct Assignment	108.8		
Total	**587.8**		

Discussion Summary

Key Business Updates

Consolidated Results Overview

CA Grameen: Financial Metrics

MMFL: Financial Metrics

Investment Rationale

Annexure

Business Model with Inherent ESG Adherence (1/2)

CreditAccess® Grameen

Note: All performance metrics are as on FY22

External Environment

- Financial inclusion
- Rural economic conditions
- Financial literacy
- Socio-political issues
- Digital literacy
- Climate changes
- Evolving customer behaviour
- Post-Pandemic recovery
- Technological changes
- Regulations
- Awareness on health & education
- Market forces

Inputs

Financial
- Diversified lenders base
- Longer tenure borrowings
- Cost of funds

Manufactured
- Pan India presence
- Deep rural penetration

Human
- Young workforce
- Rural recruitment
- Extensive training
- Employee retention
- Benefits & growth

Intellectual
- Stable & scalable technology infrastructure
- Risk management framework
- Prudential provisioning

Social and Relationship
- Customer engagement
- Community investment – CSR initiatives
- Investor/ lenders/ rating agencies engagement

Natural
- ESG loans
- GHG accounting

Value Creation Process

Strategic Priorities

- Most trusted financial partner of low-income rural under-banked households lacking access to formal credit
- Socio-economic catalyst in deep rural areas
- Expand branch network & replicate strong process, controls
- Deliver customer value with convenient products & services
- High levels of employee engagement and enablement
- Set industry benchmark in operating efficiency, customer & employee retention, asset quality
- Adopt relevant technology and innovative solutions
- Focus on ESG/ sustainable growth - both organic/ inorganic

Social Responsibility

Favourable work environment

C – Committed
R – Reliable
E – Empathetic
A – Accountable
T – Transparent
E – Efficient

LEARNING AGILITY

Customer Centricity

Strong Governance

Key Activities

- Vision 2025 : One stop solution for all financial needs of the custmomers
- Sustainable loan products - Income generation, house repairs, water/ sanitation, education, medical, festivals, livelihood needs, emergency, business assets/ expansion
- Risk management, IT, customer feedback/ grievance, internal audit, quality control
- Organic and Inorganic ESG growth

Outputs

Financial
- AUM: ₹**165,994 million**
- PAT: ₹**3,571 million**
- ROA: **2.19%**, ROE : **9.13%**
- Opex/AUM: **4.9%**
- Number of active borrowers: **3.82 million**
- Stable credit rating: **A+/A1+**

Manufactured
- Number of states: **14 states and 1 UT**
- Number of branches per district: **5.12**

Human
- No. of employees : **15,667**
- % of employees from local community: **97.65%**
- Average training hours per employee (Including Pre-Hires): **57 hours**

Intellectual
- Number of products per customer : **1.6**
- Customer retention rate: **84%**
- **0.58 million** customers digitally onboarded
- **99%** cashless disbursements

Social and Relationship
- Total institutions provided with direct Covid-19 support: **15,632 (Standalone)**
- Total CSR Spend ₹**96.94 million**
- % of women borrowers: **99.99%**

Natural
- % of ESG loans: **99.90%**
- Total scope emissions (tCO2e): **10,430**
- Emissions intensity (tCO2e/FTE): **0.87**

SDG

Outcomes

Customers
- Access to need-based credit
- Improved income
- Improved quality of life

Employees
- Skilled employees with internal growth opportunities
- Healthy life and financial security

Shareholders
- Sustainable business model
- Superior growth, profitability, RoI

Regulators
- Compliance
- License to operate

Financial and Associated Risks

Net Interest Income from loan, insurance and NPS activities, bad debt recovery

Staff costs, employee benefits, operating and non-operating expenses

Dividends and Retained Earnings

Direct and Indirect Tax

- Credit Risk
- Insurance Risk
- Market Risk
- Operational Risk, including compliance, environmental and/or social risk
- Interest risk rate
- Funding and liquidity risk
- Business and reputational risk

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:**

M-CRIL
Incorporating EDA Rural Systems
inclusive microeconomics

CLIENT PROTECTION CERTIFICATION

Issued to:

CreditAccess Grameen Limited

No. 49, 46th Cross, 8th Block, Jayanagar
Bengaluru 560 070, Karnataka, India

CreditAccess Grameen Limited has been awarded the Gold Level Certification according to the new Client Protection Certification Framework promoted by SPTF and CERISE.

Certified by M-CRIL Limited
Level of compliance: Gold
Issue date: 06 June 2022

GOLD LEVEL - JUN 2022
CLIENT PROTECTION CERTIFIED

Arpita Pal Agrawal
Arpita Pal Agrawal
Managing Director

Additional information:
The new certification is awarded on three levels: Gold, Silver and Bronze depending on the institution complying two sets of requirements: compliance with a mandatory subset of indicators and with a proportion of the number of indicators; these are defined for each level. For more details, please follow the link: https://sptf.info/images/Client_Protection_Certification_framework_final.pdf

- **Employee Centricity / Well-Being;**

Great Place To Work®
Certified
FEB 2022 - FEB 2023
INDIA

This is to certify that CreditAccess Grameen Limited has successfully completed the assessment conducted by Great Place to Work® Institute, India, and is certified as a great workplace.

This certificate is valid from Feb 2022 to Feb 2023.

Yeshasvini R
Yeshasvini Ramaswamy
Chief Executive Officer
Great Place to Work® Institute, India

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

Group Formation
- Self-chosen group within 500m radius
- Mutual reliance
- Group: 5-10 members
- Kendra: 2-6 groups
- Digital process to capture KYC & household income details in Tab

Data Entry & CB Check
- Data entry into CBS at RPCs
- KYC verification by RPCs

Comprehensive CB check for all earning family members

Group Confirmation
- 5-days CGT by LO
- Re-interview by BM
- Compulsory house visits
- GRT by AM, ad-hoc verifications, group approval

Kendra Meetings
- Weekly / Fortnightly meetings
- Duration: 30-45 mins
- Act as early warning indicator

Loan Applications
- New LA is captured in Tab
- Subject to group's approval, LA is accepted by the LO for further processing
- First loan IGL only

Loan Evaluation
- Compulsory house visit
- Repayment capacity to be assessed on existing cash flows
- Household income assessment

Loan Sanction & Disbursal
- Loan sanction after complying with max 50% FOIR
- Group's re-confirmation
- Fund transfer to bank a/c
- Passbook/ repayment schedule & pricing fact sheet

Loan Repayment
- Choice of repayment frequency
- Collections updated online on Tab

Loan Utilization
- LUC between 5-10 weeks
- Follow-up LUC in 11-15 weeks
- LUC recorded in passbook and LUC card

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

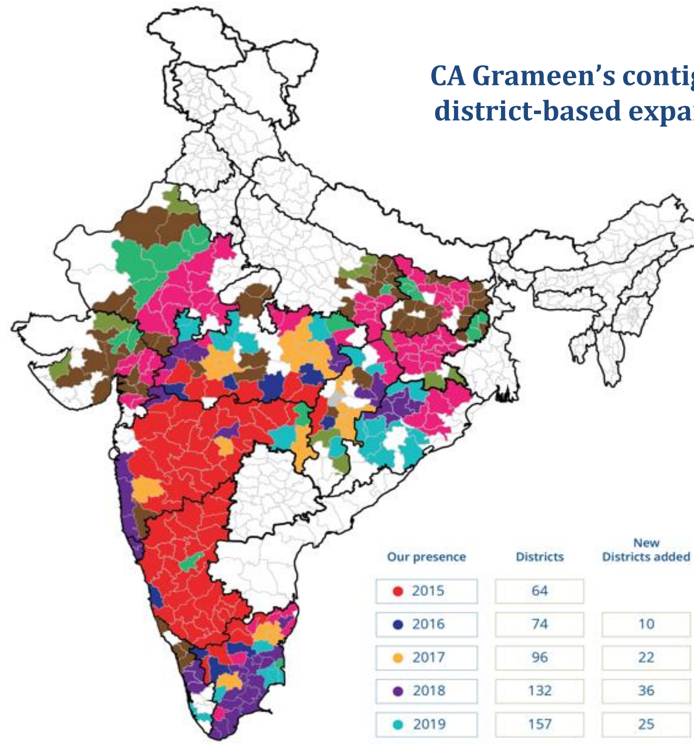
Loan Type	Customer Centric Products	Purpose	Ticket Size (INR)	Tenure (months)
Group	Income Generation Loan (IGL)	Business Investments and Income Enhancement activities	5,000 - 1,00,000	12 – 36
Group	Home Improvement Loan	Water Connections, Sanitation and Home Improvement & Extensions	5,000 - 50,000	12 – 36
Group	Family Welfare Loan	Festival, Medical, Education and Livelihood Improvement	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 (99% of districts <=2% of GLP, No single district has > 4% of total GLP)

CA Grameen's contiguous district-based expansion



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

Unique Human Capital, Internal Audit & Risk Controls

CreditAccess® Grameen

Well-Established Operational Structure

Business Heads

↓

Zonal Managers

↓

Regional / Divisional Heads

↓

Area Managers

↓

Branch Managers

↓

Loan Officers

↓

Branches

Sound Understanding of Rural Market

- ~90% of employees are hired fresh from rural communities
- ~50%-60% of employees are from families of active customers

Highly Efficient Workforce

- In-house 2-3 weeks pre-hiring training program
- Compulsory rotation of loan officers annually and branch managers tri-annually for varied job experience and work satisfaction
- Employee incentives delinked from disbursement or collections, and linked to number of customers serviced, quality of service and process adherence
- High employee retention rate

Multi-Pronged Approach For Risk Management

Internal Audit (IA):

- IA frequency – 6 times in a year at branches, 4 times at RO, 4 times at HO
- The entire audit process in automated enabling real-time data analytics
- The Audit Committee of our Board is updated every quarter on significant internal audit observations, compliances, risk management practices and control systems

Quality Control (Business Support):

- Fort-nightly branch visits
- Complements internal audit function by early identification of operational risks
- Branch sanitization, fraud investigation, PAR investigation, support new business expansion

Field Risk Control (FRC):

- FRC adds strength to proactive operational risk management
- FRC complements the field operations supervision, quality control and internal audit function

Continuous Technology Enhancement to Drive Operational Efficiency

CreditAccess Grameen

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

Contiguous District-based Expansion

- Consistent replication of processes/ controls
- Better understanding of social/ economic/ political/ climate risks, historical PAR, competition intensity
- High quality growth

Target Customer Segment

Focus on rural markets:

- Less served, high potential
- Better control & asset quality

Focus on new-to-credit customers:

- Shapes customer behaviour and credit discipline
- Increases loyalty
- Avoids over-leveraging

Customer Due-Diligence

- Self-chosen group formation
- CGT, GRT, house visits
- Comprehensive bureau check for all earning family members help to manage competition and overleveraging

Lending Model

- Responsible loan usage due to flexible products/ repayment options
- Better cash flow management
- Reduced risk of overleveraging

Customer Engagement Model

- More frequent engagement through weekly model
- Early identification of imminent stress
- Better control on collections
- Faster recovery

Employee Incentive Structure

- No incentive to push higher disbursements
- No impact on incentives due to external impact on collections
- Incentivization for process adherence, customer training, customer servicing

Employee Rotation Policy

- Annual rotation of LOs and tri-annual rotation of BMs
- Audit & Quality Control team rotation within the state
- Reduces person dependence and provides multiple checks

Early Risk Recognition and Conservative Provisioning

Strong Parentage of CreditAccess India N.V.

CreditAccess India

Committed to Micro Finance Business

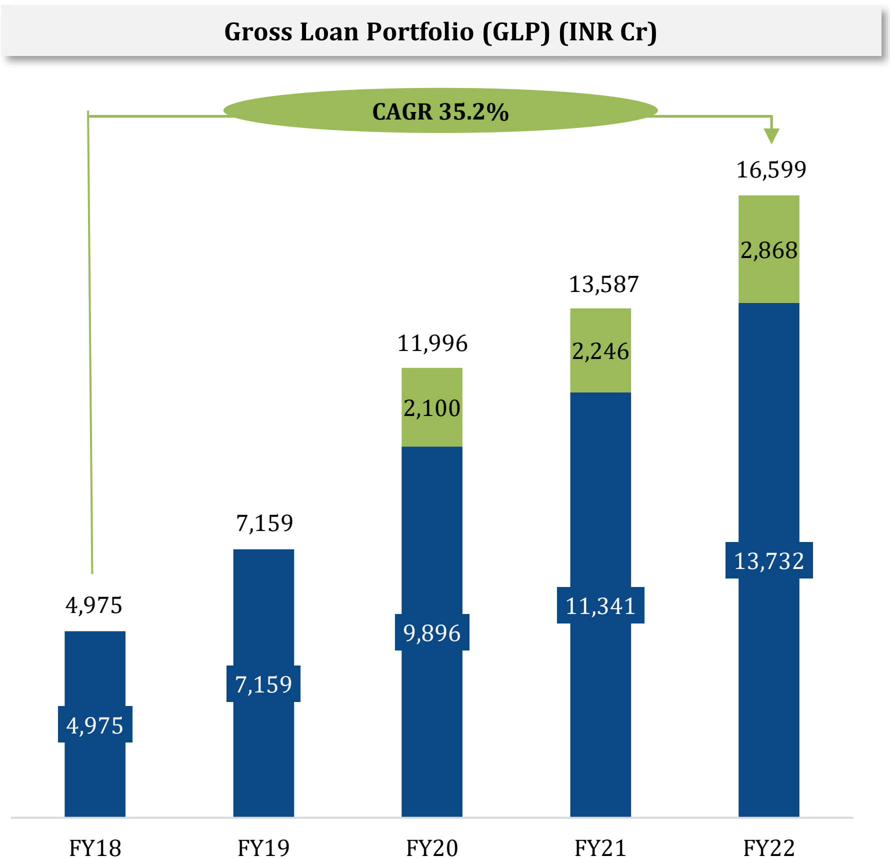
- CreditAccess India N.V. (CAI) specialises in Micro and Small Enterprises financing
- Widely held shareholding base: 253 shareholders
- Olympus ACF Pte Ltd. 15.4%, Asian Development Bank 8.8%, individuals/HNIs/Family Offices 75.8%
- Headquartered in Amsterdam, The Netherlands

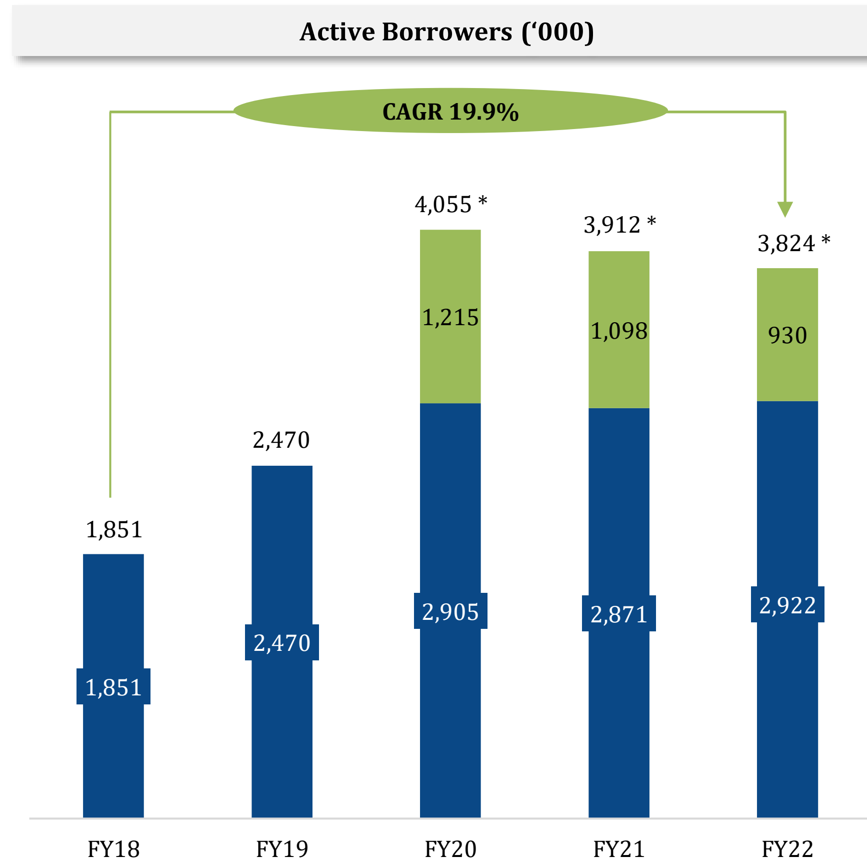
Strong Financial Support

- 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 73.74% in CA Grameen, committed to holding up to the regulatory requirement in future

Past Five Years Performance Track Record (1/3)

CreditAccess® Grameen



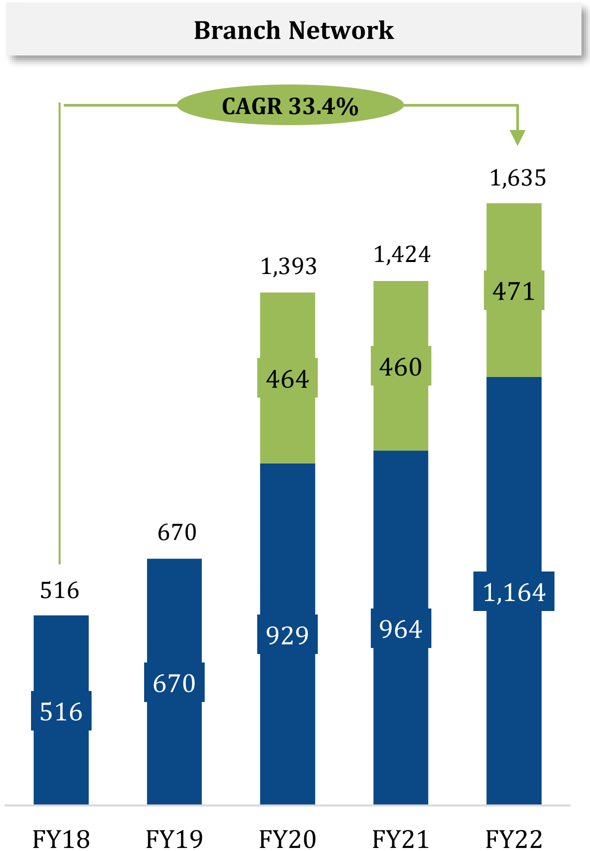


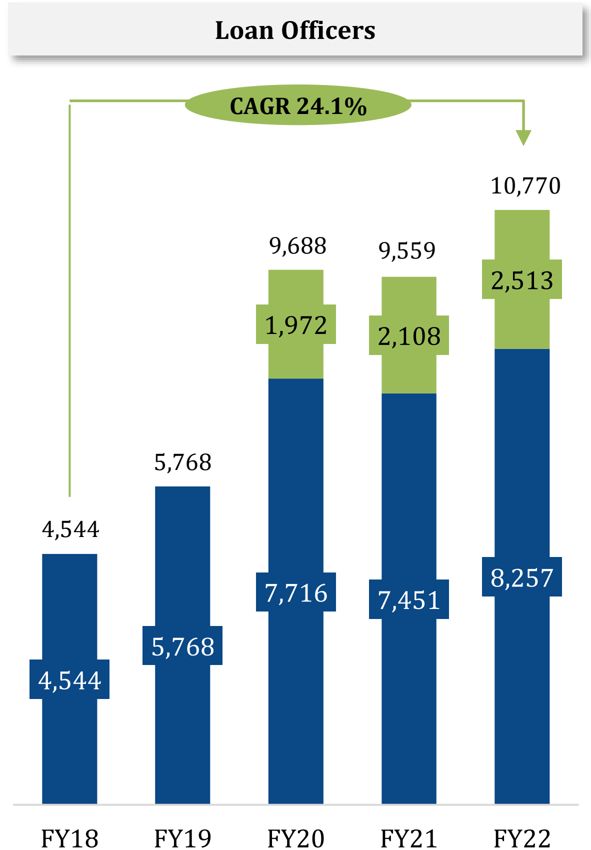
* Excluding Common Borrowers

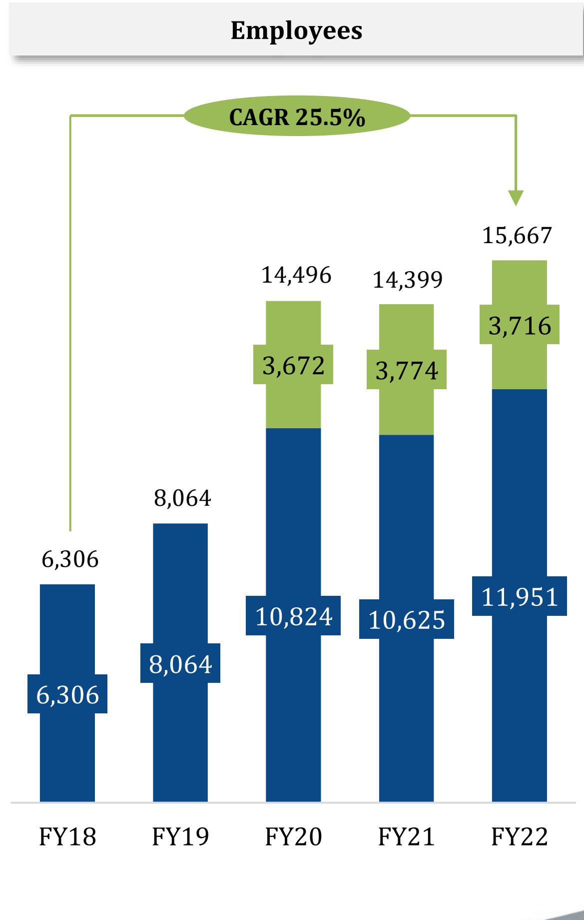
■ CA Grameen ■ MMFL

Past Five Years Performance Track Record (2/3)

CreditAccess Grameen



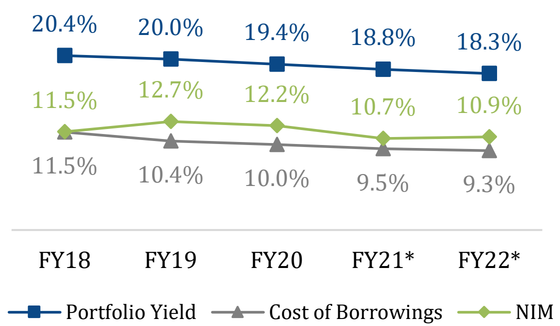




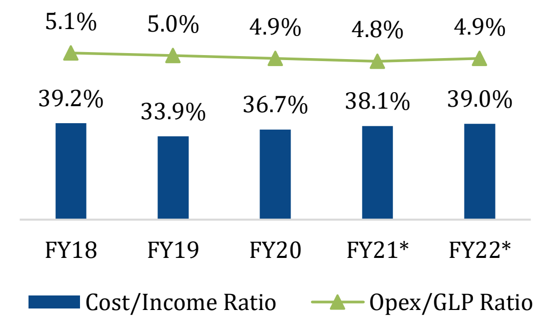
Past Five Years Performance Track Record (3/3)

Note: Refer Annexure for definition of key ratios

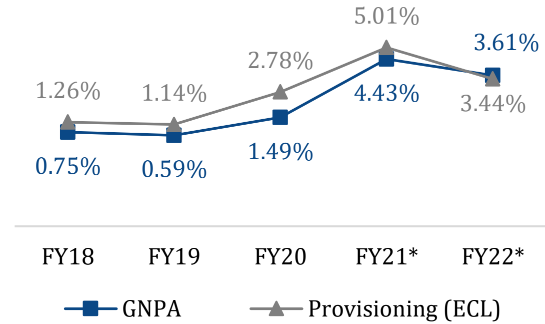
Margin Analysis (%)



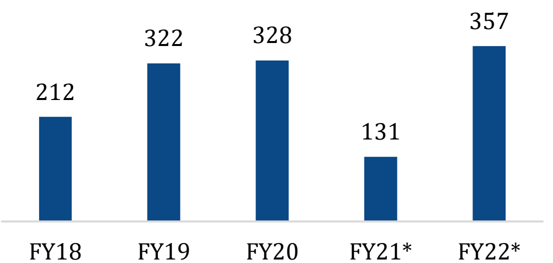
Operating Efficiency (%)



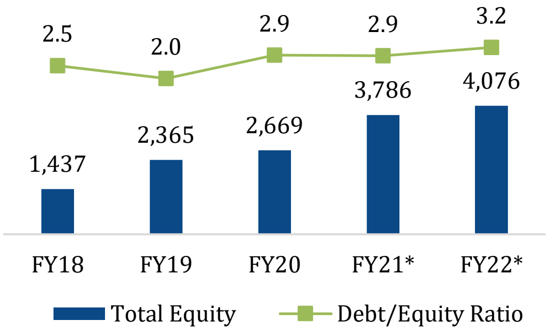
Asset Quality (%)



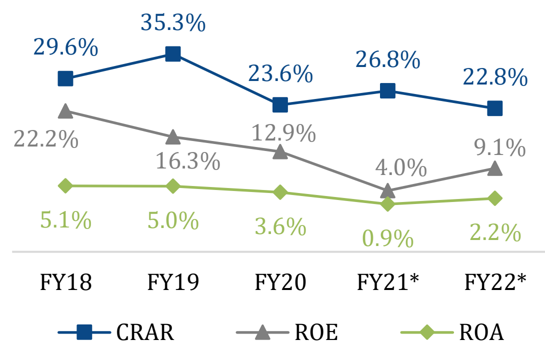
PAT (INR Cr)



Total Equity (INR Cr) & Debt/Equity Ratio



Return Ratios & Capital Adequacy (%)



*Consolidated Figures

Discussion Summary

Key Business Updates

Consolidated Results Overview

CA Grameen: Financial & Operational Metrics

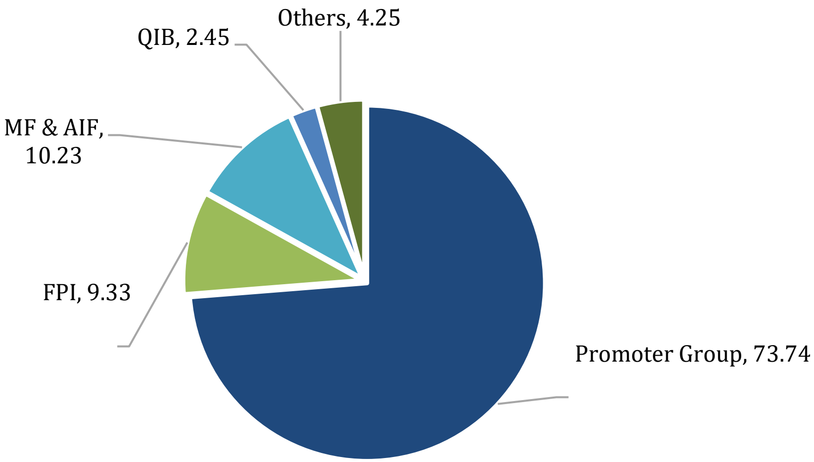
MMFL: Financial & Operational Metrics

Investment Rationale

Annexure

Shareholding Structure

Shareholding Pattern – September 2022



Top 10 Institutional Investors – September 2022
Eastspring Investments
Edelweiss Mutual Fund
Government Pension Fund Global
ICICI Prudential Life Insurance
Nippon Mutual Fund
SBI Mutual Fund
T Rowe Price
Tata AIA Life Insurance
UTI Mutual Fund
Vanguard

Key Ratios: Definitions

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)

CreditAccess®
Grameen

For Further Queries:

Nilesh Dalvi
SVP & Head – Investor Relations
Contact No – 9819289131
Email Id – nilesh.dalvi@cagrameen.in

Sahib Sharma
AGM – Investor Relations
Contact No – 7066559383
Email Id – sahib.sharma@cagrameen.in

Great Place To Work®
Certified
FEB 2022–JAN 2023
INDIA

www.creditaccessgrameen.in