



Forging a Path
Towards a
Stronger Future

CreditAccess Grameen Limited

Corporate Presentation

August 2023



The Company, subject to market conditions, and other considerations, is proposing a public issue of secured redeemable non-convertible debentures (“**NCDs**”) and has filed a shelf prospectus dated November 4, 2022 (“**Shelf Prospectus**”) and Tranche II Prospectus dated August 18, 2023 (“**Tranche II Prospectus**”) read with corrigendum to the Tranche II Prospectus dated August 19, 2023 (“**Corrigendum**”) (collectively, the “**Prospectus**”) with the Registrar of Companies, Bengaluru at Karnataka, BSE Limited (“**BSE**”), NSE Limited (“**NSE**”) and Securities and Exchange Board of India (“**SEBI**”). The Prospectus is available on the website of the Company at www.creditaccessgrameen.in, on the website of BSE at www.bseindia.com, on the website of NSE at www.nseindia.com, on the website of the lead manager at www.akgroup.co.in, and on the website of SEBI at www.sebi.gov.in. Investors proposing to participate in the Issue should invest only on the basis of the information contained in the Prospectus. Investors should note that investment in the NCDs involves a high degree of risk and for details in relation to the same, refer to the Prospectus, including the section titled “Risk Factors” and “Material Developments” beginning on pages 17 and 389 of the Shelf Prospectus and the section titled “Material Developments” beginning on page 187 of the Tranche II Prospectus.

*For further details refer to the section titled “Issue Related Information” on page 479 of the Shelf Prospectus and to the section titled “Issue Related Information” on page 326 of the Tranche II Prospectus read with Corrigendum. Allotment in the public issue of debt securities should be made on the basis of the date of upload of each application into the electronic book of the stock exchange. However, on the date of oversubscription and thereafter, the allotment should be made to the applicants on proportionate basis

Capitalised terms not defined herein shall have the same meaning as assigned to such terms in the Prospectus.

DISCLAIMER CLAUSE OF BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the Prospectus has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer Clause of the BSE.

DISCLAIMER CLAUSE OF USE OF BSE ELECTRONIC PLATFORM: It is to be distinctly understood that the permission given by the BSE to use their network and software of the Online system should not in any way be deemed or construed as compliance with various statutory requirements approved by the Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

DISCLAIMER CLAUSE OF NSE: It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Prospectus has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Prospectus; nor does it warrant that the Company’s securities will be listed or will continue to be listed on the exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoter, its management or any scheme or project of the issuer. The investors are advised to refer to the Prospectus for the full text of the Disclaimer Clause of the NSE.

DISCLAIMER CLAUSE OF USE OF NSE ELECTRONIC PLATFORM: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Prospectus has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer Clause of NSE.

DISCLAIMER CLAUSE OF INDIA RATINGS AND RESEARCH PRIVATE LIMITED

All credit ratings assigned by India Ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.indiaratings.co.in/rating-definitions>. In addition, rating definitions and the terms of use of such ratings are available on the agency's public website www.indiaratings.co.in. Published ratings, criteria, and methodologies are available from this site at all times. India ratings’ code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the code of conduct section of this site. (<https://www.indiaratings.co.in/rating-definitions>) (<https://www.indiaratings.co.in>).

Business Overview

Business Model & Strategy

Key Performance Highlights

Issue Details



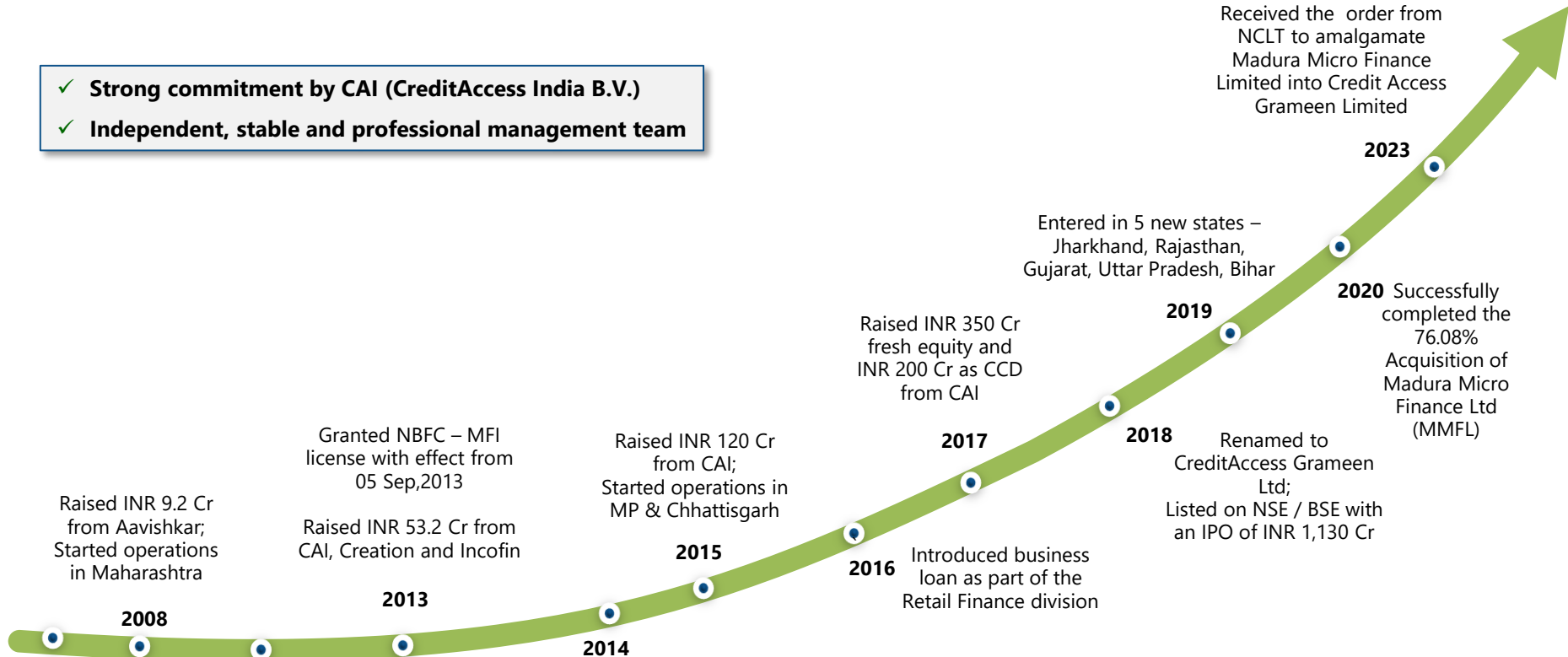
- ✔ One of the Leading NBFC-MFIs in India headquartered in Bengaluru
- ✔ Joint Liability Group (JLG) based lending model focused on rural women predominantly in the rural areas of India
- ✔ Diverse product suite catering to entire customer life cycle
- ✔ Calibrated, contiguous district-based expansion 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 2023)

Gross AUM	Active Customers	Branches / Districts	Employees	Loan Officers	Q1 FY24 PAT
INR 21,814 Cr	44.2 Lakh	1,826 / 353	17,391	12,044	INR 348 Cr

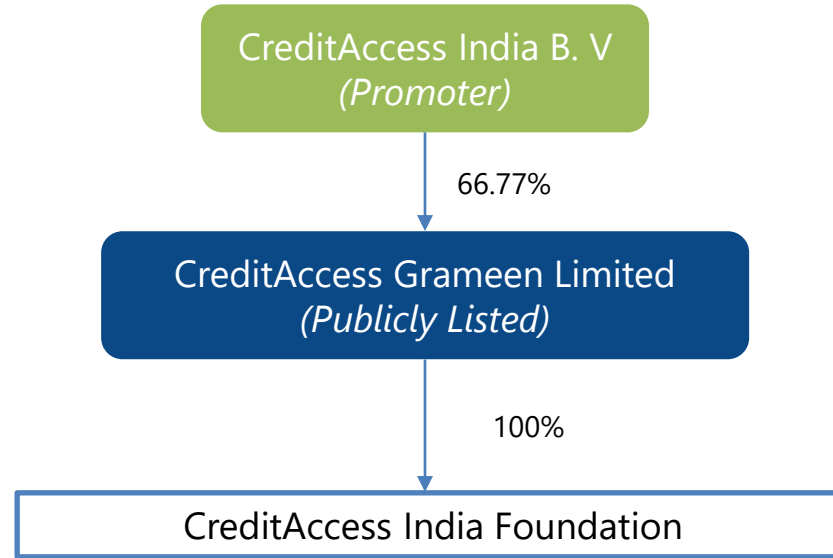
Key Milestones

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



Consolidated	FY21	FY22	FY23	Q1 FY24
Branches (#)	1,424	1,635	1,786	1,826
Gross AUM (INR Cr)	13,587	16,599	21,031	21,814





* Based on equity shareholding as on June 30, 2023



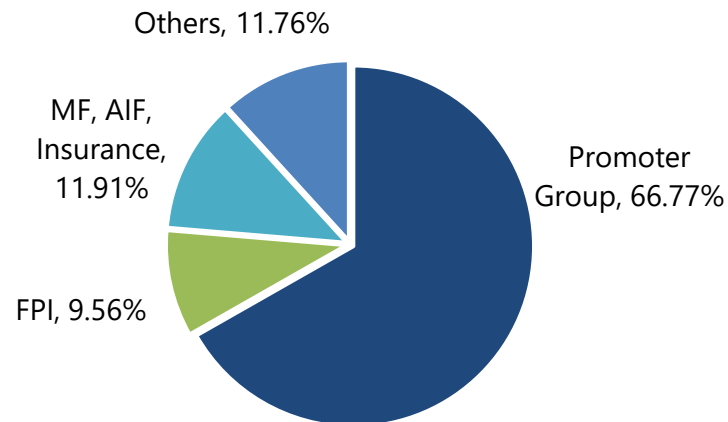
Committed to Micro Finance Business

- CreditAccess India B.V. (CAI) specialises in Micro & Small Enterprises financing
- Widely held shareholding base: 247 shareholders
 - Olympus ACF Pte Ltd. 15.4%
 - Asian Development Bank 8.8%
 - Asia Impact Invest SA 8.8%
 - Conferenza Episcopale Italian 8.1%
 - Individuals/HNIs/Family Offices 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 500 Cr in FY17
- Provides access to global fundraising opportunities leveraging CAI's network and relationships
- Holds 66.77% in CA Grameen, committed to holding up to the regulatory requirement in the future

Shareholding Pattern – June 30, 2023



CA Grameen	June 30, 2023	FY23	FY22	FY21
Credit Rating – ICRA	AA- (Stable)	AA- (Stable)	A+ (Stable)	A+ (Stable)
Credit Rating – Ind-Ra	AA- (Stable)	AA- (Stable)	A+ (Stable)	A+ (Stable)
Credit Rating – CRISIL	A+ (Positive)	A+ (Positive)	A+ (Stable)	A+ (Stable)
Comprehensive Microfinance Grading (Institutional Grading/ Code of Conduct Assessment (COCA)) – CRISIL	M1C1	M1C1	M1C1	M1C1

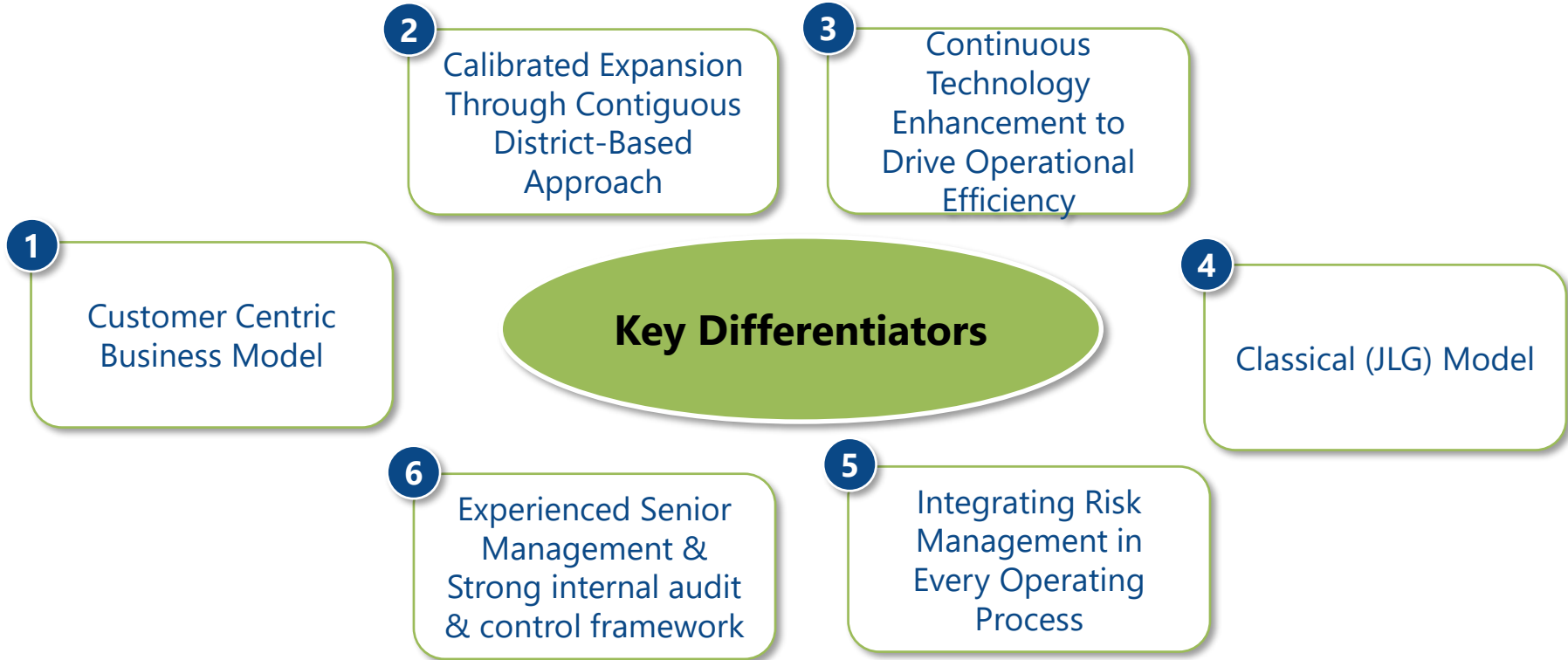
Business Overview

Business Model & Strategy

Key Performance Highlights

Issue Details





Uniquely positioned to capitalize on the highly underpenetrated credit in rural areas

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

Loan Type	Customer Centric Products	Purpose	Ticket Size (INR)	Tenure (weeks / months)
Group	Income Generation Loan (IGL)	Business Investments and Income Enhancement activities	Up to 1,10,000	52 – 156 weeks
Group	Family Welfare Loan	Festival, Medical, Education and Livelihood Improvement	Up to 20,000	24 – 104 weeks
Group	Emergency Loan	Emergencies	1,000	11 – 12 weeks
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	3 – 180 months

✓ 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

High customer satisfaction & customer retention rate

Sustainable & Socially Relevant

Significant contribution from existing customer

Optimising operating costs

Calibrated Expansion Through Contiguous District-Based Approach

- ✓ Systematic geography selection based on availability of infrastructure, competition, historical performance trend and growth potential
- ✓ 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 (93% of districts < 1% of consolidated Gross AUM, No single district has > 3% of total consolidated Gross AUM)

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
- Tailor-made product offerings providing flexibility to customers
- Cashless disbursement / digital repayment options for customers
- Robust CBS customized for our business operations, with higher levels of automation, controls and flexibility
- Strong tech-enabled internal audit, risk, and control systems to enable real-time field risk monitoring

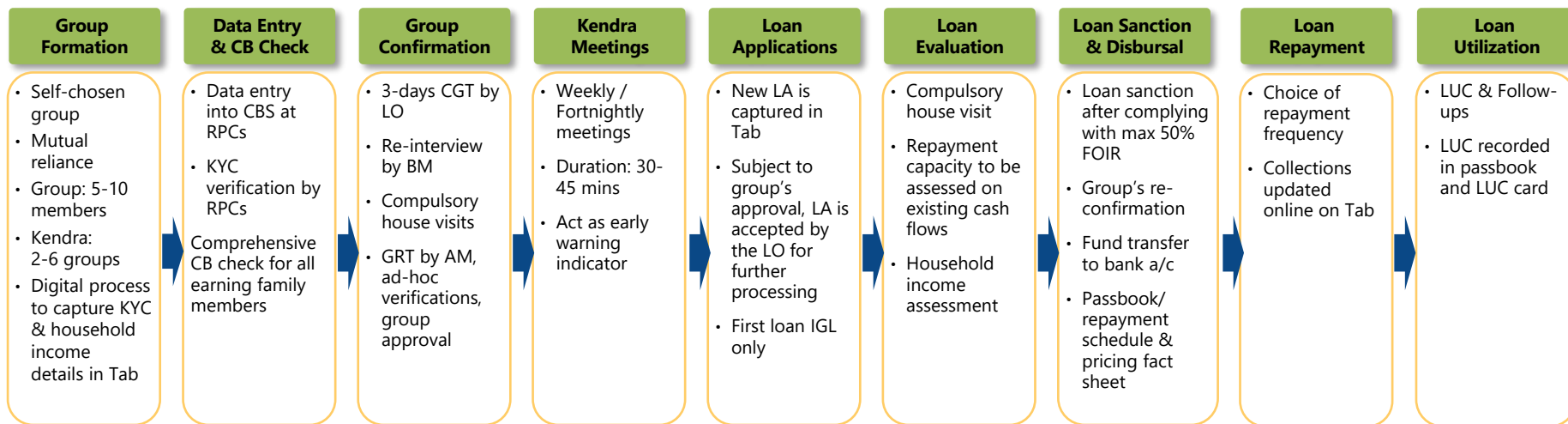
Microfinance loans are unsecured. JLG mechanism acts as security/ loan collateral –

- ✓ 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

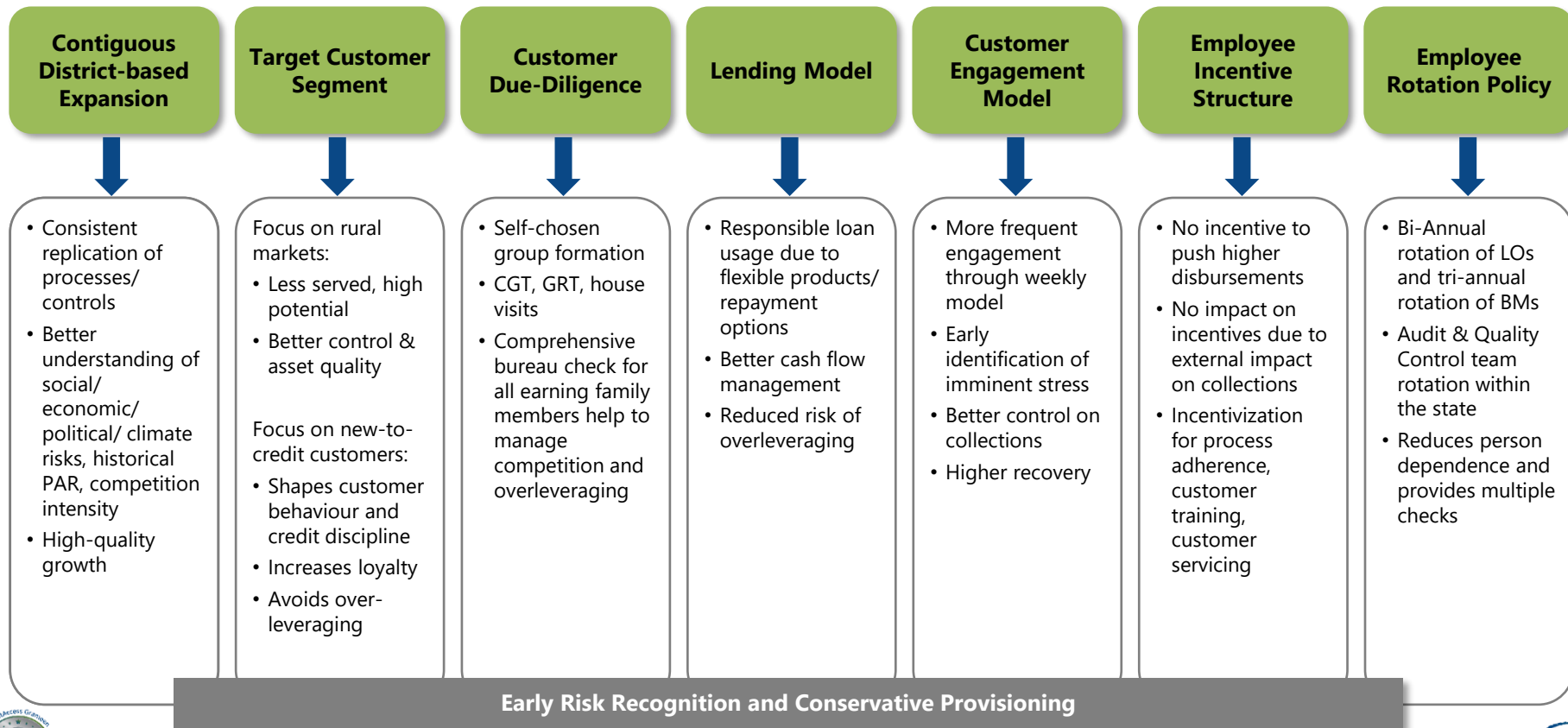
JLG Mechanism allows Multiple Layers of Checks before and after disbursement of loan



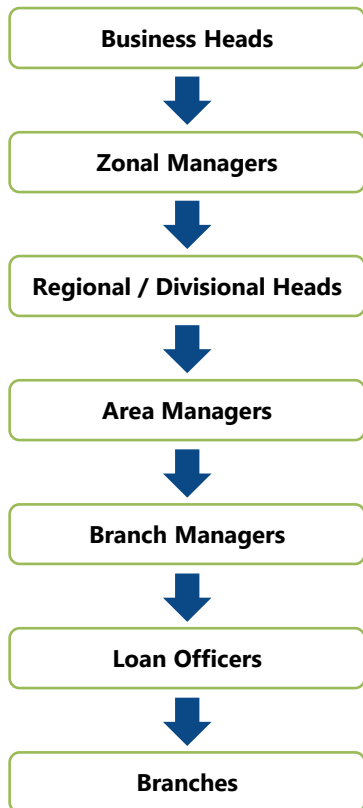
Note: CB: Credit Bureau, CBS: Core Banking System, RPC: Regional Processing Center, CGT: Compulsory Group Training, LO: Loan Officer, BM: Branch Manager, AM: Area Manager, LA: Loan Application, LUC: Loan Utilization Check



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



Well-Established Operational Structure



Sound Understanding of Rural Market

Employees are predominantly hired fresh from rural communities

Highly Efficient Workforce

- In-house 2-3 weeks pre-hiring training program
- Compulsory rotation of loan officers bi-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 is 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):

- Complements internal audit function by early identification of operational risks
- Ensures proactive and comprehensive review of processes, accurate documentation in branches and kendra meetings and adherence to the code of conduct



Field Risk Control (FRC):

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

Business Overview

Business Model & Strategy

Key Performance Highlights

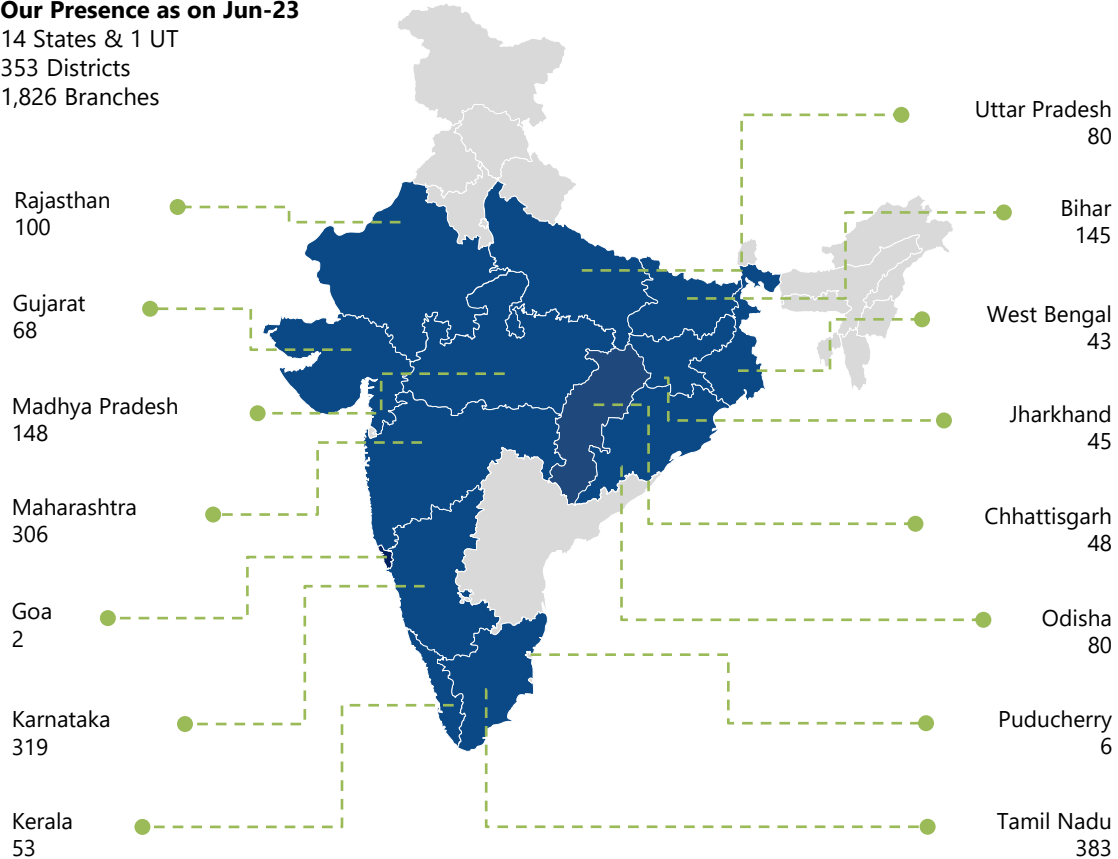
Issue Details



Well-Diversified Presence Across India

Our Presence as on Jun-23

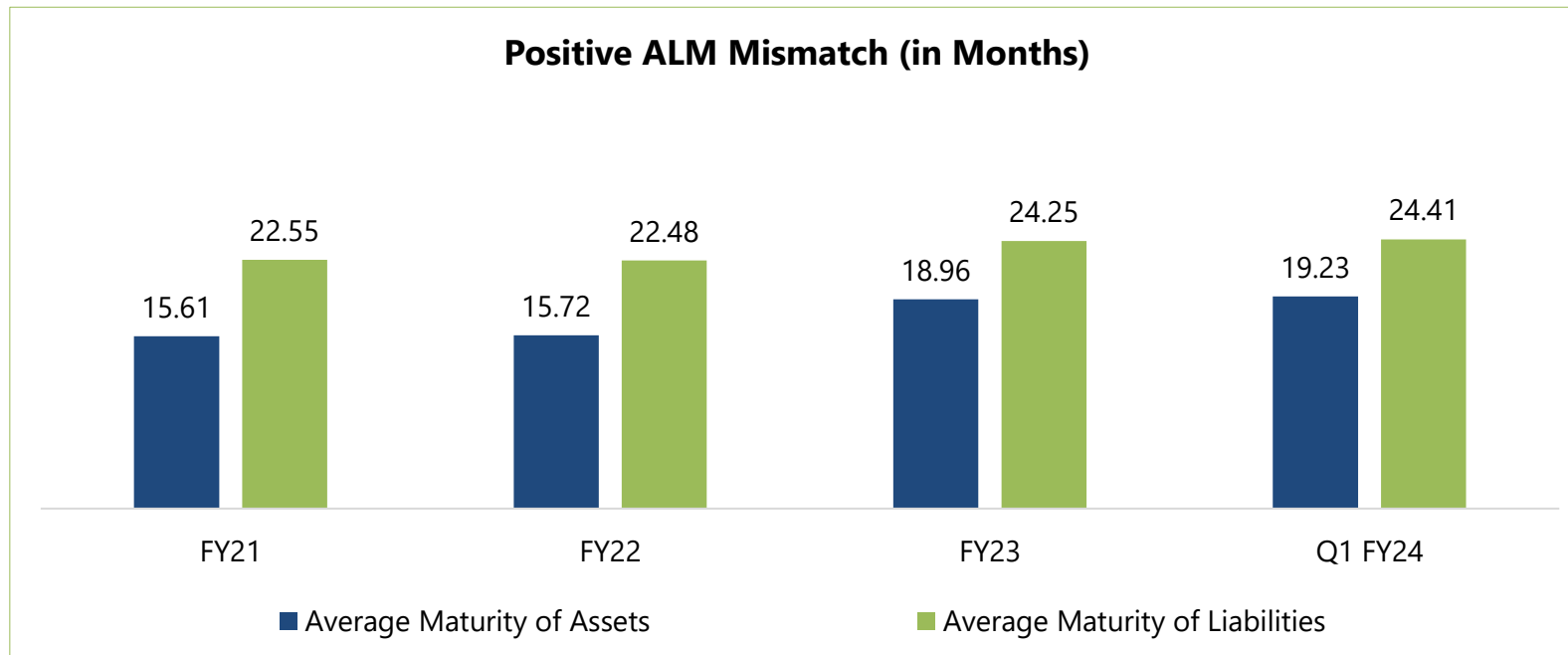
14 States & 1 UT
353 Districts
1,826 Branches



June 2023	Branches
Karnataka	319
Maharashtra	306
Tamil Nadu	383
Madhya Pradesh	148
Other States & UT	670
Total	1,826

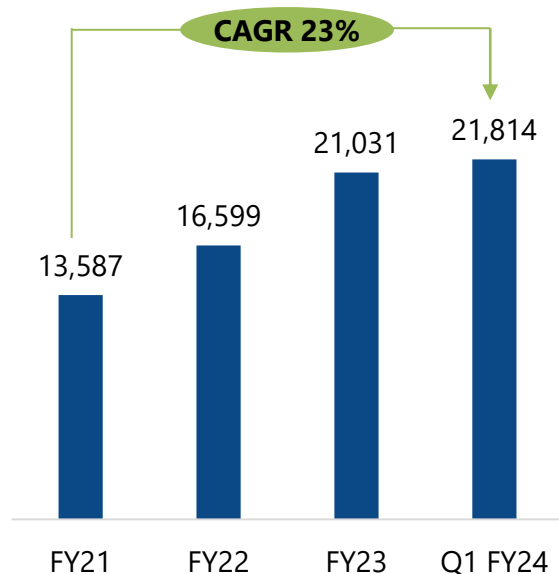
June 2023	Customers ('000)
Karnataka	1,152
Maharashtra	873
Tamil Nadu	917
Madhya Pradesh	337
Other States & UT	1,145
Total	4,423

June 2023	Gross AUM (INR Cr)
Karnataka	7,204
Maharashtra	4,484
Tamil Nadu	4,331
Madhya Pradesh	1,420
Other States & UT	4,374
Total	21,814

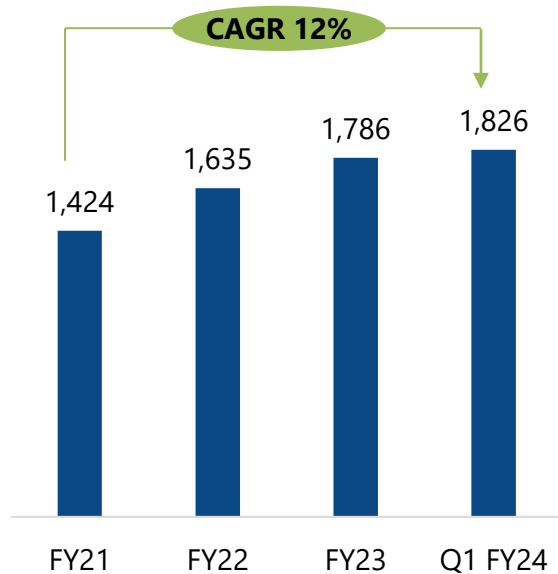


Consolidated Historical Performance Trend (1/4)

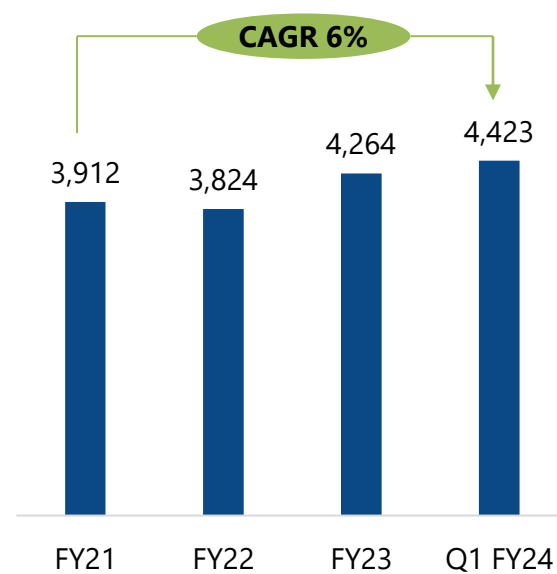
Gross AUM (INR Cr)



Branch Network



Active Customers ('000)

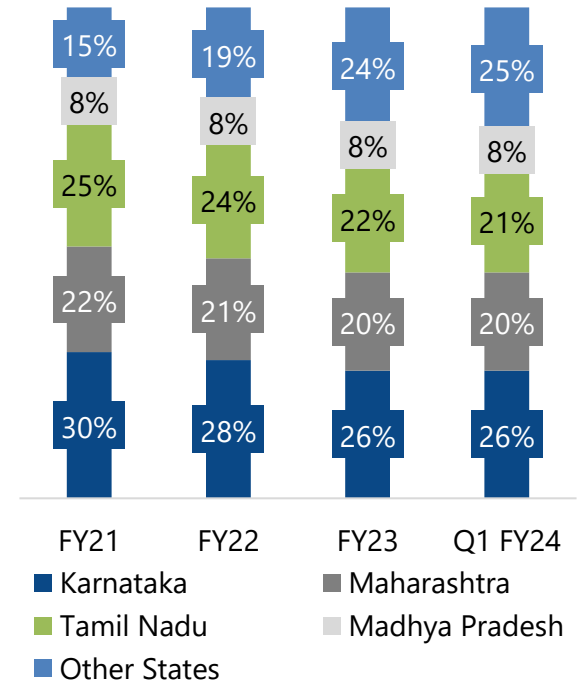
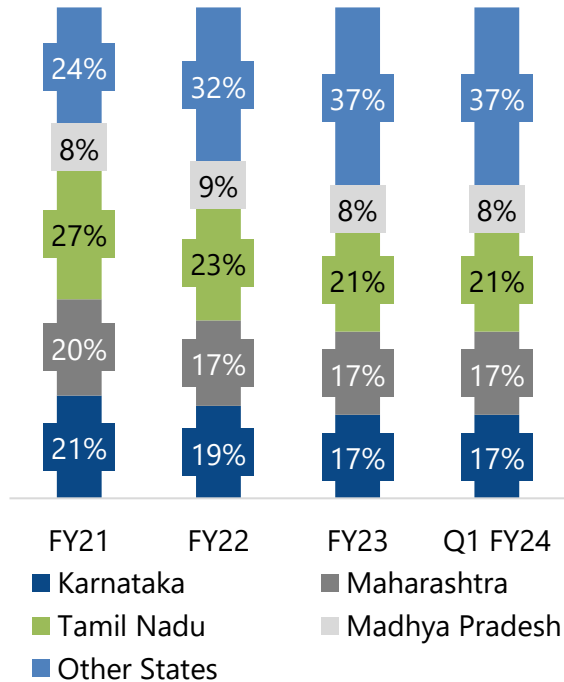
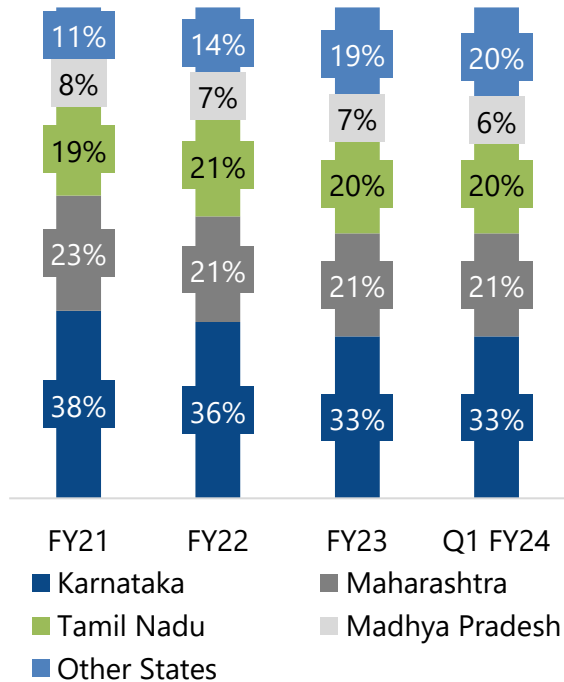


Consolidated Historical Performance Trend (2/4)

Gross AUM – State-wise % Mix

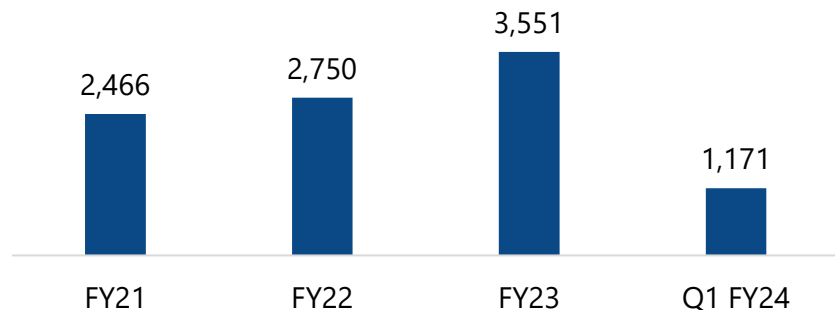
Branch – State-wise % Mix

Active Customers – State-wise % Mix

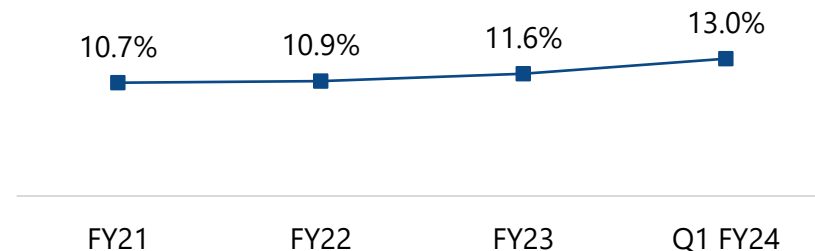


Consolidated Historical Performance Trend (3/4)

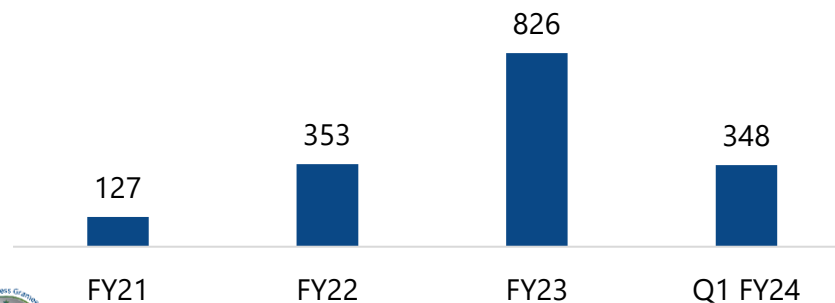
Total Revenues (INR Cr)



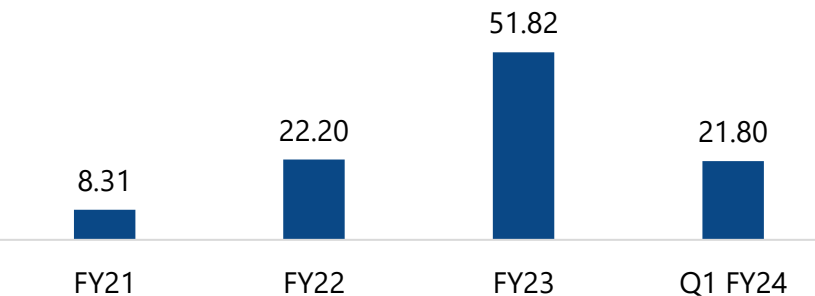
Net Interest Margin (%)



PAT (INR Cr)

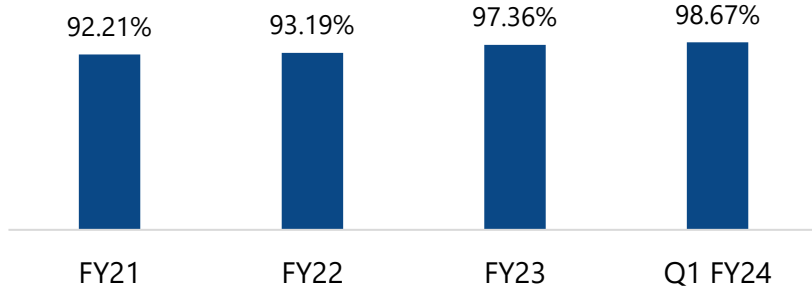


EPS - Diluted (INR)

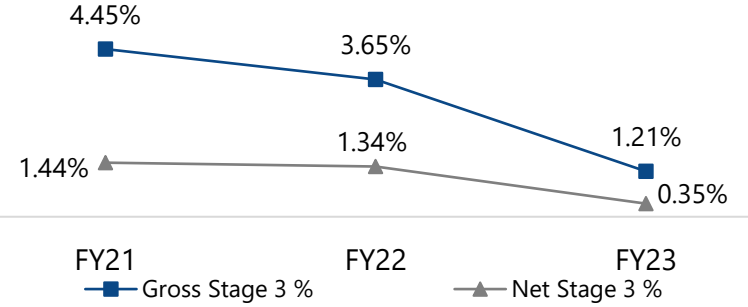


Consolidated Historical Performance Trend (4/4)

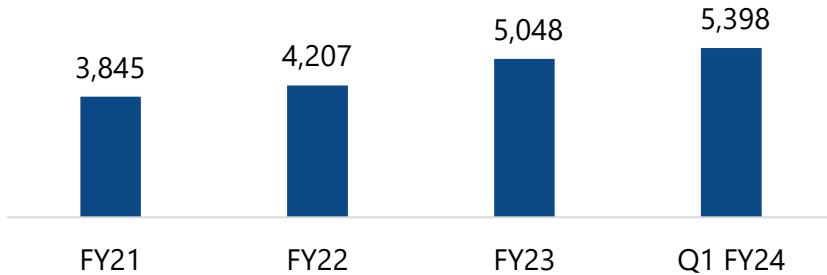
Repayment Rate %



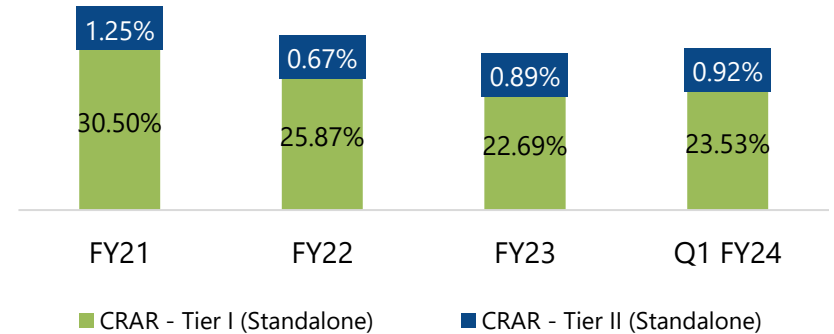
Asset Quality %



Net Worth (INR Cr)



Capital Adequacy (%)



FY22 and FY21 figures pertain to pre-merger standalone CreditAccess Grameen Limited



Business Overview

Business Model & Strategy

Key Performance Highlights

Issue Details



Issue Partners

Lead Manager



Debenture Trustee



Rating Agency



Legal Counsel



Banker to the issue



Joint Statutory Auditors

Deloitte Haskins & Sells & PKF Sridhar & Santhanam LLP

RTA



Key Highlights of the Issue

Issuer	CreditAccess Grameen Limited
Type / Nature of the instrument	Secured, Listed, Redeemable, Non-Convertible Debentures
Credit Ratings / Rating of the instrument	IND AA-/Stable by India Ratings
Tranche II Issue Size	₹ 1,000 crore (Base Issue Size - ₹ 400 crore ; Green shoe option – Up to ₹ 600 crore)
Issue Schedule	Issue is open from 24 th August 2023 to 6 th September 2023 (with an option for early closure)
Security Cover	Our Company shall maintain a minimum 110% security cover*
Other Covenants	As stated in the Transaction Documents

*110% security cover on the outstanding balance of the NCDs plus accrued interest thereon.

Specified Terms of the NCD

Series	I	II	III	IV*	V	VI	VII	VIII
Frequency of Interest Payment	Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative
Minimum Application	₹ 10,000 (10 NCDs) across all series							
In Multiples of thereafter (₹)	₹ 1,000 (1 NCD)							
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000							
Tenor	24 months	24 months	33 months	33 months	50 months	50 months	60 months	60 months
Coupon (% per annum) for NCD Holders in all Categories	9.10%	NA	9.25%	NA	9.40%	NA	9.70%	NA
Effective Yield (% per annum) for NCD Holders in all Categories	9.48%	9.48%	9.64%	9.64%	9.81%	9.81%	10.13%	10.13%
Mode of Interest Payment	Through various modes available							
Redemption Amount (₹ / NCD) on Maturity for NCD Holders in all Categories	₹1,000	₹1,198.82	₹1,000	₹1,288.12	₹1,000	₹1,477.11	₹1,000	₹1,621.19
Maturity / Redemption Date (from the Deemed Date of Allotment)	24 months	24 months	33 months	33 months	50 months	50 months	60 months	60 months
Put and Call Option	Not Applicable							

*The Company shall allocate and allot Series IV NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series

Note: Subject to applicable tax deducted at source, if any.



Thank You

