



Forging a Path
Towards a
Stronger Future

CreditAccess Grameen Limited

Q1 FY24 Investor Presentation

July 2023



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Key Business Updates

Financial Results Overview

Investment Rationale



Robust Business Momentum, Strong Operating Profitability, And Best In Class Asset Quality

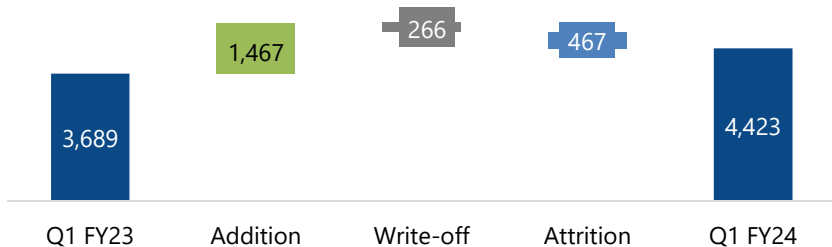
	Q1 FY24	YoY%	QoQ%
GLP (INR Cr)	21,814	+39.7%	+3.7%
Borrowers (Lakh)	44.23	+19.9%	+3.7%
Disbursements (INR Cr)	4,771	+122.3%	-33.5%
NII (INR Cr)	763	+65.4%	+10.7%
PPOP (INR Cr)	544	+87.7%	+8.1%
PAT (INR Cr)	348	+151.5%	+17.5%
NIM %	13.0%	+195 bps	+85 bps
ROA %	5.8%	+278 bps	+34 bps
ROE %	26.4%	+1337 bps	+245 bps
Collections Efficiency (Excl. Arrears) %			98.7%
GNPA (largely @ 60+ dpd) %			0.89%
ECL Provisioning %			1.59%
NNPA %			0.27%
PAR 90+ %			0.70%
CRAR %		24.4% (Tier 1: 23.5%)	

- Strong customer additions of 3.28 Lakh, 47% coming from outside of top 3 states
- Normalised collection efficiency
- Best-in-class asset quality
- Highest ever quarterly profitability
- Highest ever return ratios in first quarter
- Strong capital adequacy position
- Added 40 new branches for future growth

Q1 FY24: Customer Growth Led By Robust Additions & High Retention

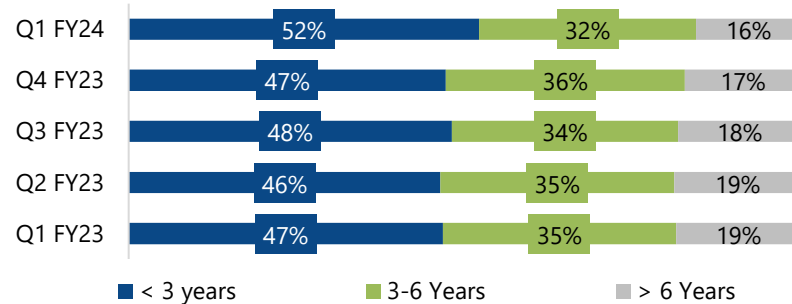
Robust Borrower Additions

Borrowers ('000)



New Borrower Addition over past 12 Months	Total	% Share
Karnataka	2,75,029	18.7%
Maharashtra	2,43,643	16.6%
Tamil Nadu	2,82,805	19.3%
Other States	6,65,449	45.4%
Total	14,66,926	100.0%

Borrower Vintage



GLP / Borrower Vintage-wise	Q4 FY23	Q1 FY24
< 3 Years	40,244	40,912
3-6 Years	51,948	53,369
> 6 Years	67,234	69,526
Total	49,320	49,319

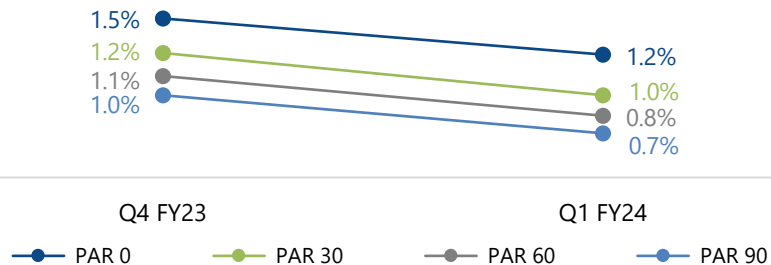
Focus on 3-Year Loans for High Vintage Borrowers

Loan Tenure	Avg. Weekly Installment per INR 10,000 loan
1 Year	INR 217 – 219
2 Years	INR 118 – 120
3 years	INR 86 - 88

- Loans with ticket size \geq INR 75,000 are offered for 3-years
- 3-years loans: **29% of GLP**

Q1 FY24: Best-In-Class Asset Quality

PAR Trend



Q1 FY24 (INR Cr)		Consolidated		
Asset Classification (dpd)		EAD	EAD%	ECL%
Stage 1	0 – 15 (GL), 0 – 30 (RF)	20,099.3	98.9%	0.9%
Stage 2	16 – 60 (GL), 31 – 90 (RF)	44.4	0.2%	50.8%
Stage 3	60+ (GL), 90+ (RF)	181.7	0.89%	69.6%
Total		20,325.4	100.0%	1.59%
GNPA (Gross Stage 3)		0.89%		
NNPA (Net Stage 3)		0.27%		

Note: RF only accounts for 1% of overall loan book

Management overlay of INR 7.8 Cr (part of Stage 3 ECL) set aside for the **legacy MMFL book of INR 72 Cr**, which now only accounts for only **0.3% of overall GLP**

EAD: Exposure at default = on-balance sheet loan principal + interest

Credit Cost (INR Cr)	Q1 FY24
Opening ECL - (A)	347.8
Additions (B)	
- Provisions as per ECL	43.0
Reversals (on account of write-off) (C)	67.1
Closing ECL (D = A+B-C)	323.7
Write-off (E)	100.5
Credit Cost (F = B-C+E)	76.4
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non-annualised)	0.4%
Bad-Debt Recovery (G)	12.0
Net P&L Impact (F – G)	64.4
Net P&L Impact – % of Avg. On-Book Loan Portfolio (non-annualised)	0.3%

Q1 FY24: Comfortably Placed to Maintain Healthy NIMs

Key Metrics	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24
Avg. New Disbursement Interest Rate %	20.3%	20.8%	21.5%	21.9%	21.9%
Portfolio Yield %	18.4%	19.1%	19.6%	19.7%	20.7%
Weighted Avg. Cost of Borrowing %	9.1%	9.2%	9.6%	9.5%	9.6%
Marginal Cost of Borrowing %	8.7%	8.9%	10.2%	9.4%	9.7%
NIM %	11.1%	12.0%	11.9%	12.2%	13.0%

Q1 FY24: Strong Traction In Foreign Funding

Maiden Syndicated Social Loan Facility Of Up To USD 200 Million

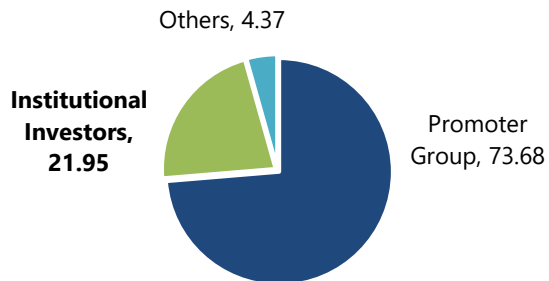
- The facility qualifies as ECB under the automatic route of the RBI
- This is the first social ECB loan in MFI industry and fourth from India
- CA Grameen's socially relevant business and strong ESG compliance allows us to target ESG linked funds from global institutions
- USD 160 million in commitments received to date under this facility
- Green-shoe option is available to raise an additional USD 40 million
- **USD 100 million has been drawn as on 30th June 2023**

Region	Bank	Drawdown (USD)
India	Bank of Baroda	17.5
	Bank of India	17.5
	Indian Bank	10
Taiwan	First Commercial Bank	5
	Chang Hwa Commercial Bank	5
	The Shanghai Commercial & Savings Bank	10
	Bank of Panshin	5
	Hua Nan Commercial Bank	5
	O-Bank Co	10
Middle East	The National Bank of Ras Al Khaimah	5
	Doha Bank	10
	Total	100

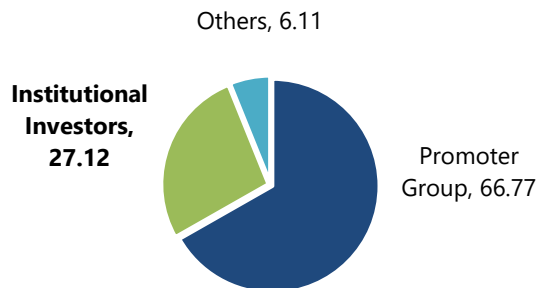
Foreign Funding Update – Q1 FY24

- **USD 142 Mn (INR 1,164.2 Cr) were drawn in Q1 FY24**
 - DFC: USD 30 Mn
 - Water Credit: USD 12 Mn
 - Social Loan: USD 100 Mn
- **39% of Q1 FY24 drawdowns were in foreign currency**
- **The share of foreign borrowings increased from 14% as at Mar-23 to 19% as at Jun-23**
- **27% of undrawn sanctions in hand as at Jun-23 are in foreign currency**

Shareholding Pattern – March 2023



Shareholding Pattern – June 2023



Augmentation of CA Grameen's Shareholding Base

- In line with Company's strategy to expand the free float and shareholding base, 5.7% (90,00,000 shares) of Promoter holding was sold to institutional investors on 30th June 2023
- Post this transaction the Promoter holding stands at 66.77% as on 30th June 2023
- The Institutional investor holding has increased from 21.95% in March 2023 to 27.12% in June 2023
- Strong interest was witnessed from both existing as well as new investors

Participation From Leading Institutional Investors

Axis Mutual Fund
BNP Paribas Arbitrage
Canara Robeco Mutual Fund
Government Pension Fund Global
HDFC Mutual Fund
HDFC Life Insurance
ICICI Prudential Life Insurance
Invesco India Mutual Fund
Kuwait Investment Authority
Morgan Stanley Asia
Plutus Wealth Management
Societe Generale
UTI Mutual Fund

Q1 FY24: Performance Vs. Annual Guidance

Key Indicators	FY24 Guidance	Q1 FY24 Performance
GLP Growth %	24.0% - 25.0%	39.7%
NIM %	12.0% - 12.2%	13.0%
Cost-to-Income Ratio %	35.0% - 36.0%	30.8%
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non annualized)	1.6% - 1.8%	0.4%
Return on Assets %	4.7% - 4.9%	5.8%
Return on Equity %	20.0% - 21.0%	26.4%

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Q1 FY24: Key Performance Highlights

GLP: INR 21,814 Cr
(+39.7% YoY)

NIM
13.0%

Weighted Avg. COB
9.6%

Cost/Income Ratio
30.8%

Opex/GLP Ratio
4.5%

PPOP
INR 544 Cr
(+87.7% YoY)

PAT: INR 348 Cr
(+151.5% YoY)

ROA
5.8%

ROE
26.4%

Capital Adequacy Ratio
24.4%

Tier 1 Ratio
23.5%

Total Equity
INR 5,449 Cr

D/E Ratio
3.1

GNPA (GS3): 0.89%

NNPA: 0.27%

PAR 90+: 0.70%

Provisioning
1.59%

Write-off
INR 100.5 Cr

Branches 1,826
(+8.6% YoY)

17,391 Employees
(+11.2% YoY)

Active Borrowers
44.23 Lakh
(+19.9% YoY)

Q1 FY24: P&L Statement

Profit & Loss Statement (INR Cr)	Q1 FY24	Q1 FY23	YoY%	Q4 FY23	QoQ%	FY23
Interest Income	1,105.2	736.2	50.1%	964.8	14.6%	3,327.1
- Interest on Loans ¹	1,080.8	727.6	48.5%	950.1	13.8%	3,277.4
- Income from Securitisation	5.4	0.0	-	0.1	-	0.1
- Interest on Deposits with Banks and Fls	19.0	8.7	119.0%	14.6	29.9%	49.7
Income from Direct Assignment	43.0	5.1	741.6%	70.6	-39.1%	119.7
Finance Cost on Borrowings	382.8	279.8	36.8%	345.6	10.8%	1,212.9
Cost on Financial Liability towards Securitisation	2.1	0.0	-	0.0	-	0.0
Net Interest Income	763.3	461.5	65.4%	689.8	10.7%	2,234.0
Non-interest Income & Other Income ²	22.6	19.2	17.7%	30.8	-26.8%	104.0
Total Net Income	785.8	480.7	63.5%	720.6	9.1%	2,337.9
Employee Expenses	156.3	123.9	26.2%	134.5	16.2%	515.2
Other Expenses	73.6	55.2	33.5%	70.7	4.1%	266.4
Depreciation, Amortisation & Impairment	12.1	11.9	1.2%	12.5	-3.4%	49.8
Pre-Provision Operating Profit	543.8	289.7	87.7%	502.9	8.1%	1,506.2
Impairment of Financial Instruments	76.4	100.9	-24.3%	105.3	-27.5%	401.0
Profit Before Tax	467.4	188.8	147.5%	397.6	17.6%	1,105.4
Total Tax Expense	118.9	50.3	136.6%	101.0	17.8%	279.4
Profit After Tax	348.5	138.6	151.5%	296.6	17.5%	826.1
Key Ratios	Q1 FY24	Q1 FY23		Q4 FY23		FY23
Portfolio Yield	20.7%	18.4%		19.7%		18.9%
Cost of Borrowings	9.6%	9.1%		9.5%		9.4%
NIM	13.0%	11.1%		12.2%		11.6%
Cost/Income Ratio	30.8%	39.7%		30.2%		35.6%
Opex/GLP Ratio	4.5%	4.7%		4.5%		4.7%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 14.8 Cr in Q1 FY24 vs INR 21.9 Cr in Q1 FY23

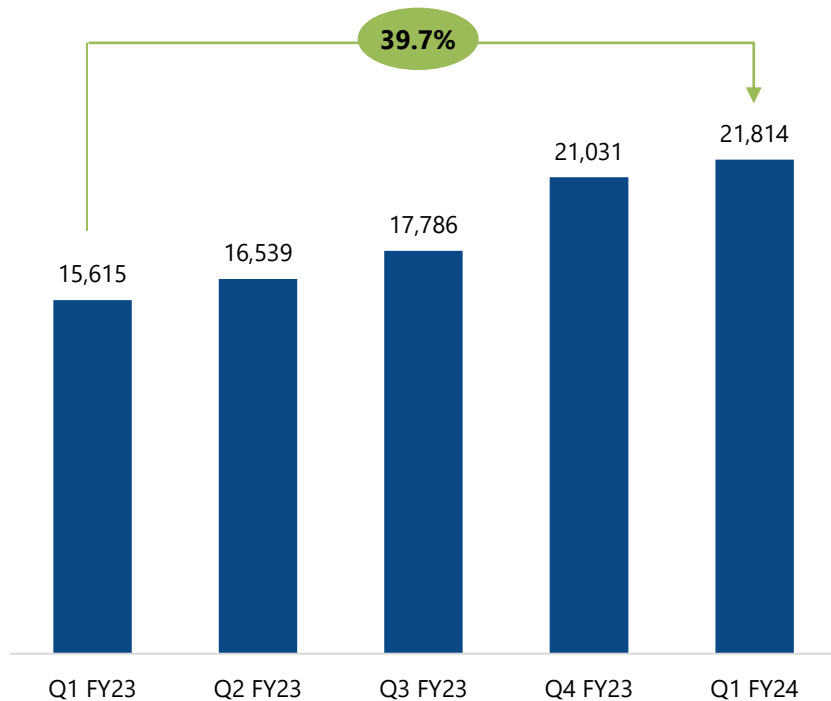
2) Bad debt recovery was INR 12.0 Cr in Q1 FY24 vs INR 10.4 Cr in Q1 FY23

Q1 FY24: Balance Sheet

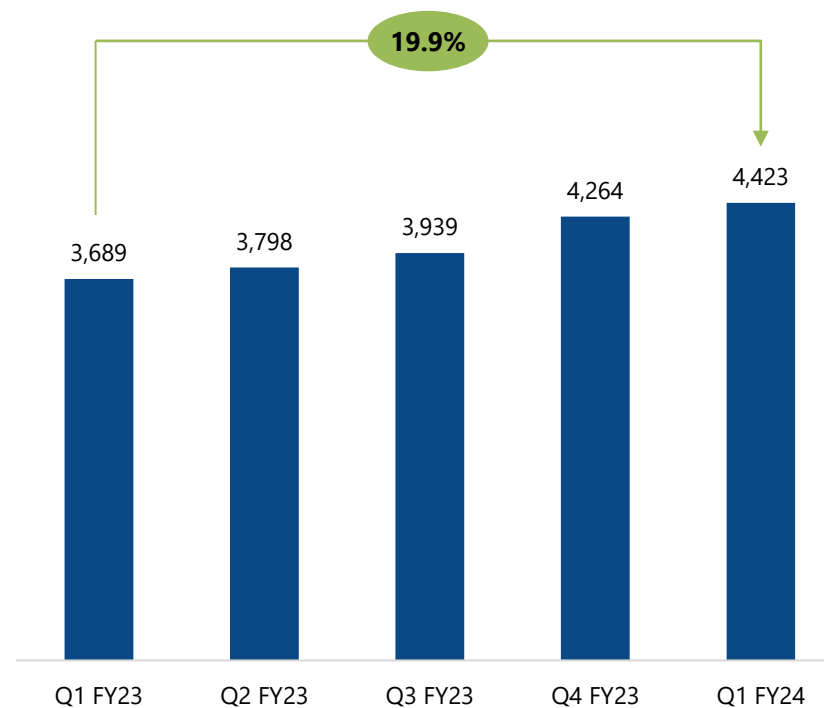
Balance Sheet (INR Cr)	Q1 FY24	Q1 FY23	YoY%	Q4 FY23	QoQ%	FY23
Cash & Other Bank Balances	1,303.3	1,369.2	-4.8%	1,436.4	-9.3%	1,436.4
Investments	731.2	173.1	322.3%	454.5	60.9%	454.5
Loans - (Net of Impairment Loss Allowance)	19,735.0	14,137.6	39.6%	18,939.8	4.2%	18,939.8
Loans - Securitised Assets	85.2	0.0	-	103.6	-	103.6
Property, Plant and Equipment	30.8	30.6	0.8%	32.1	-4.0%	32.1
Intangible Assets	125.5	144.3	-13.0%	130.5	-3.8%	130.5
Right to Use Assets	72.7	73.1	-0.5%	64.7	12.3%	64.7
Other Financial & Non-Financial Assets	313.8	288.1	8.9%	320.8	-2.2%	320.8
Goodwill	375.7	375.7	0.0%	375.7	0.0%	375.7
Total Assets	22,773.2	16,591.7	37.3%	21,858.1	4.2%	21,858.1
Debt Securities	1,433.8	1,176.2	21.9%	1,672.3	-14.3%	1,672.3
Borrowings (other than debt securities)	15,222.8	10,624.3	43.3%	14,463.2	5.3%	14,463.2
Subordinated Liabilities	79.7	79.5	0.1%	77.9	2.2%	77.9
Financial Liability towards Portfolio Securitized	81.8	0.0	-	98.8	-17.2%	98.8
Lease Liabilities	87.2	84.4	3.2%	78.9	10.5%	78.9
Other Financial & Non-financial Liabilities	418.9	291.1	43.9%	360.0	16.4%	360.0
Total Equity	5,449.0	4,336.2	25.7%	5,107.0	6.7%	5,107.0
Total Liabilities and Equity	22,773.2	16,591.7	37.3%	21,858.1	4.2%	21,858.1
Key Ratios	Q1 FY24	Q1 FY23		Q4 FY23		FY23
ROA	5.8%	3.1%		5.5%		4.2%
D/E	3.1	2.7		3.2		3.2
ROE	26.4%	13.0%		24.0%		18.0%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	0.89%	3.11%		1.21%		1.21%
Provisioning	1.59%	3.01%		1.78%		1.78%

Q1 FY24: Continued Business Traction with Rural Focus

Gross Loan Portfolio (INR Cr)



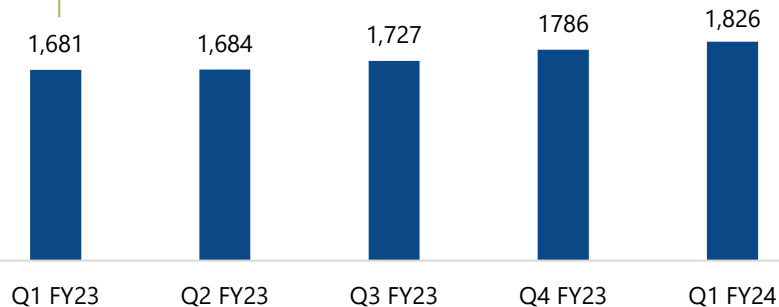
Borrowers ('000)



Q1 FY24: Consistent Growth in Infrastructure

Branches

8.6%

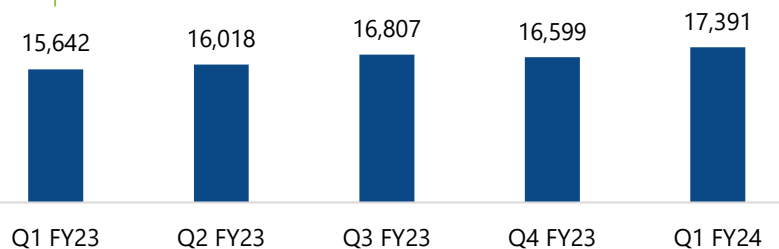


Branch Additions

States	Q1 FY24
Bihar	7
Chhattisgarh	-
Gujarat	-
Jharkhand	-
Madhya Pradesh	-
Karnataka	8
Kerala	-
Maharashtra	5
Odisha	-
Puducherry	-
Rajasthan	7
Tamil Nadu	5
Uttar Pradesh	5
West Bengal	3
Total	40

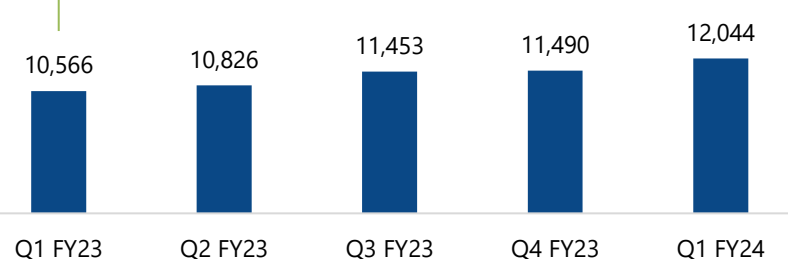
Employees

11.2%



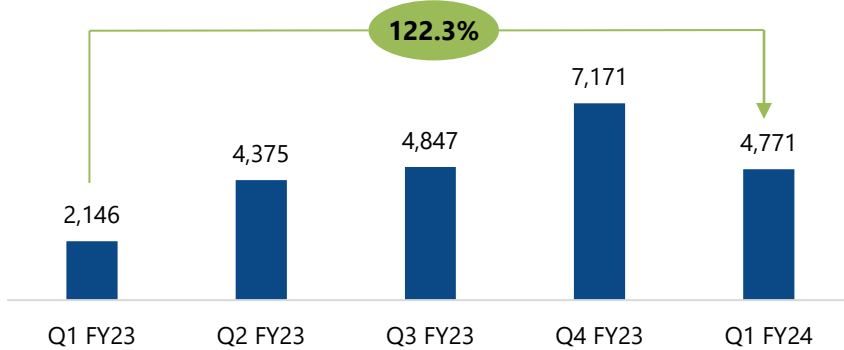
Loan Officers

14.0%

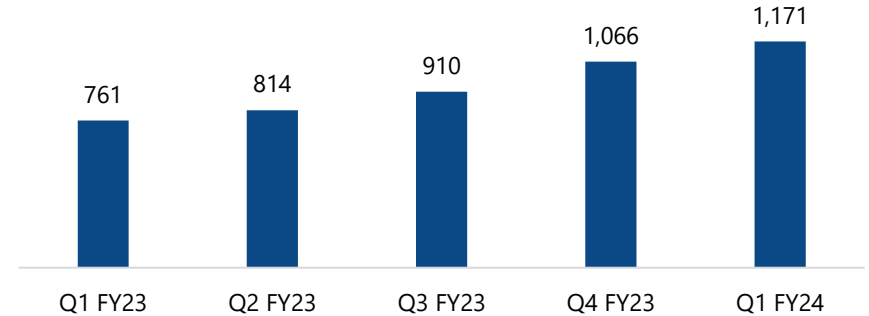


Q1 FY24: Robust Quarterly Performance Trend (1/2)

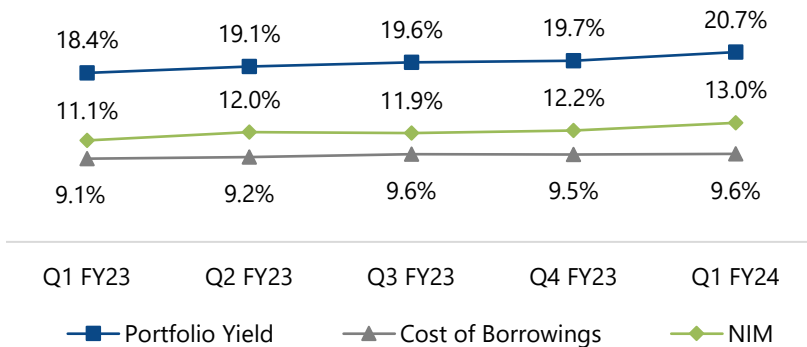
Disbursements (INR Cr)



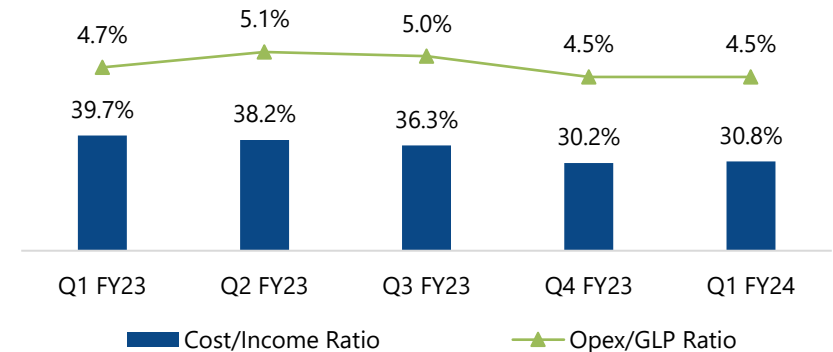
Total Income (INR Cr)



Margin Analysis (%)

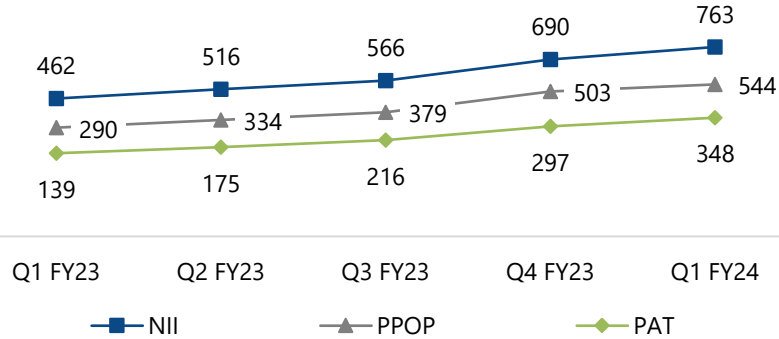


Operating Efficiency (%)

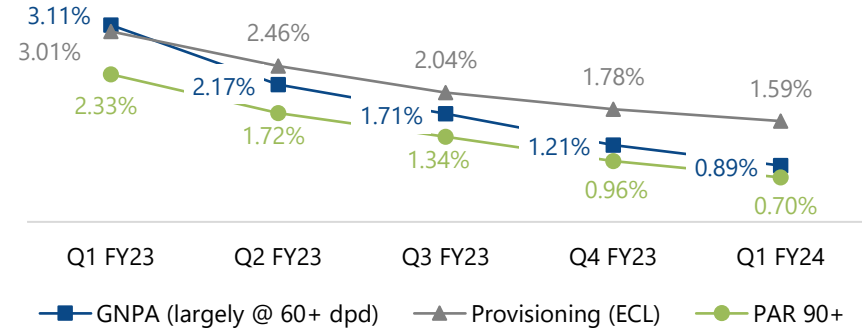


Q1 FY24: Robust Quarterly Performance Trend (2/2)

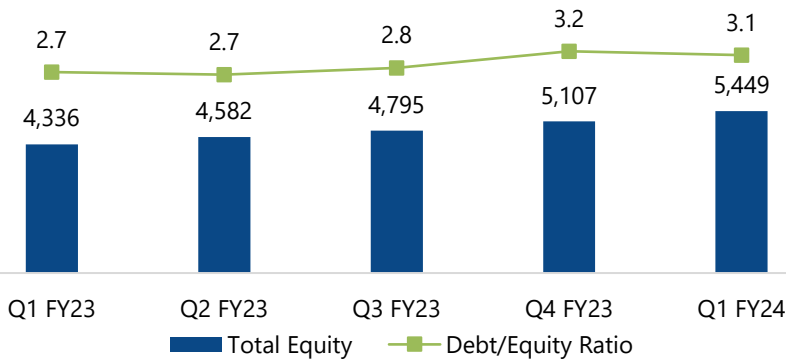
NII, PPOP, PAT (INR Cr)



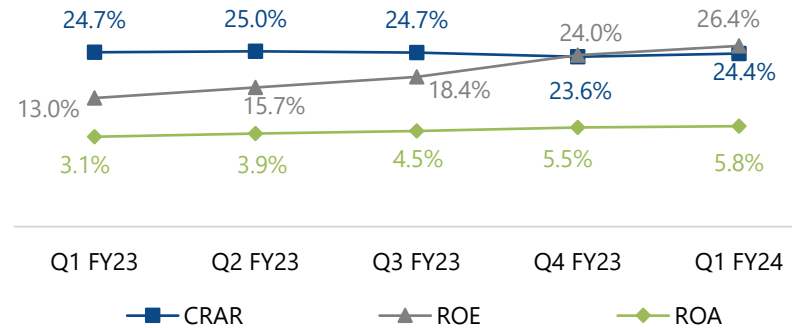
Asset Quality (%)



Total Equity (INR Cr) & Debt/Equity Ratio

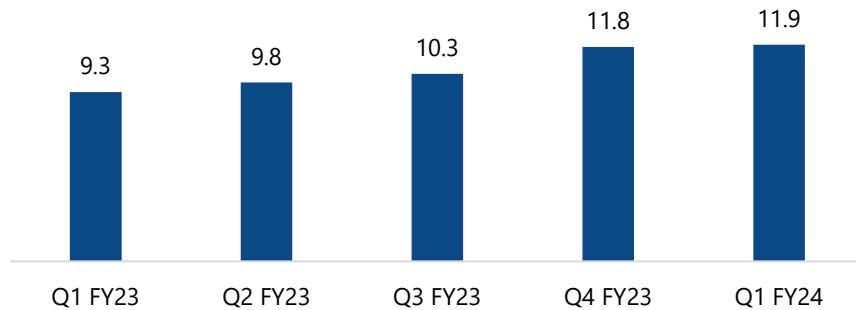


Return Ratios & Capital Adequacy (%)

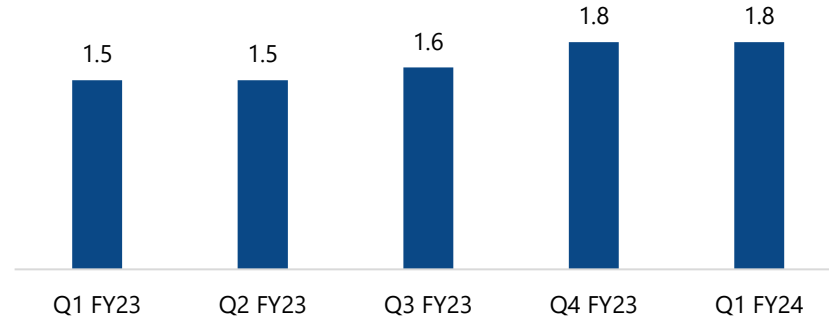


Q1 FY24: Stable Operational Efficiency

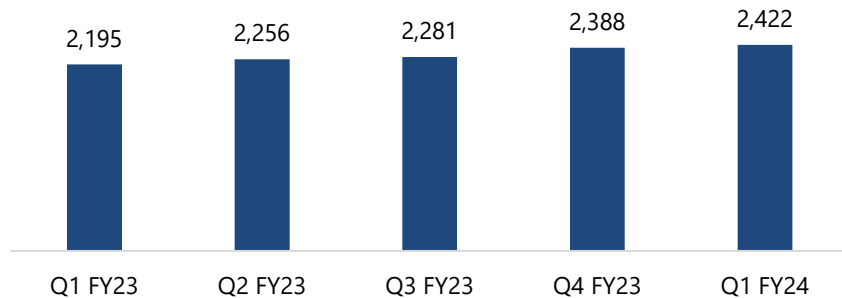
GLP / Branch (INR Cr)



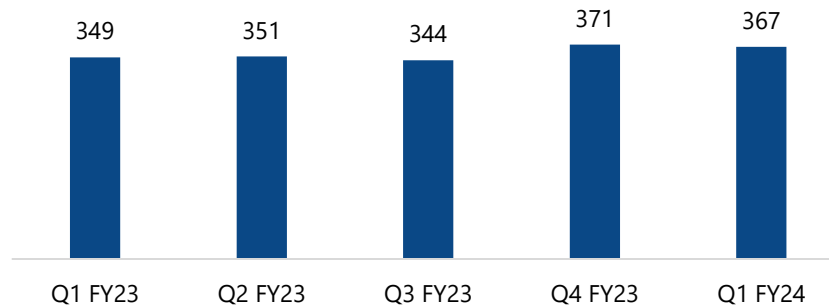
GLP / Loan Officer (INR Cr)



Borrowers / Branch



Borrowers / Loan Officer



Q1 FY24: Product Range To Meet Diverse Customer Needs

GLP - Product Mix	Q1 FY23		Q2 FY23		Q3 FY23		Q4 FY23		Q1 FY24	
	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total
IGL	14,937	96%	15,801	96%	17,054	96%	20,090	96%	20,670	95%
Family Welfare	121	1%	185	1%	125	0.7%	67	0%	148	1%
Home Improvement	408	2%	429	2%	486	3%	698	3%	778	3%
Emergency	4	0%	7	0%	9	0%	9	0%	7	0%
Retail Finance	145	1%	117	1%	113	0.6%	168	1%	211	1%
Total	15,615	100%	16,539	100%	17,786	100%	21,031	100%	21,814	100%

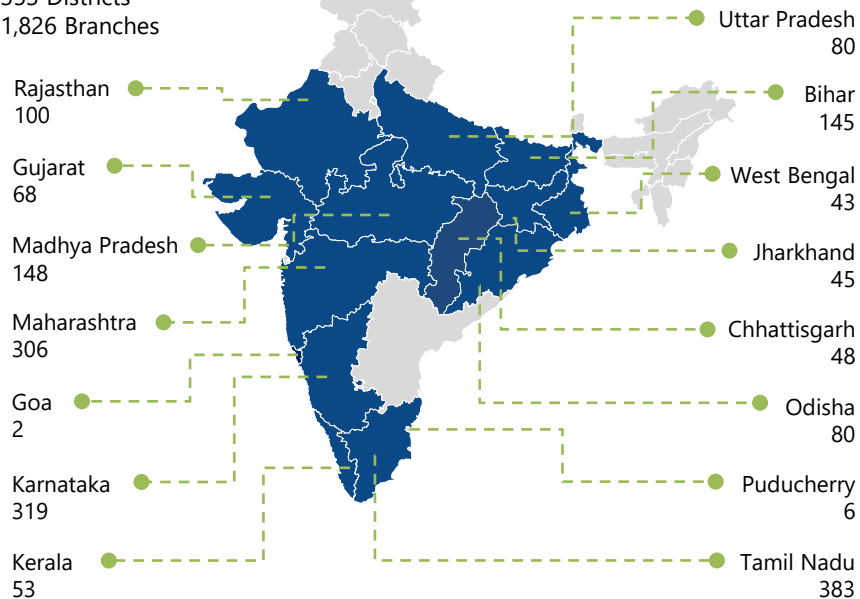
GLP – Avg. O/S Per Loan (INR '000)	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24
IGL	30.3	30.0	31.1	34.2	33.1
Family Welfare	9.4	11.0	7.7	4.7	9.2
Home Improvement	9.7	9.4	9.3	10.8	10.8
Emergency	0.8	0.5	0.5	0.6	0.5
Retail Finance	48.8	48.0	51.2	86.9	128.9
Total	28.1	27.4	28.1	30.8	30.1

GLP – Avg. O/S Per Borrower (INR '000)	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24
Group Lending	42.3	43.5	45.1	49.1	49.0
Retail Finance	50.2	49.1	51.7	87.7	130.4
Total	42.3	43.5	45.2	49.3	49.3

Q1 FY24: Well-Diversified Presence Across India

Our Presence as on Jun-23

14 States & 1 UT
353 Districts
1,826 Branches



Branch Network	Q1 FY24	% Share	Q1 FY23	% Share
Karnataka	319	17.5%	308	18.3%
Maharashtra	306	16.8%	294	17.5%
Tamil Nadu	383	21.0%	378	22.5%
Madhya Pradesh	148	8.1%	141	8.4%
Other States & UT	670	36.7%	560	33.3%
Total	1,826	100.0%	1,681	100.0%

Borrowers ('000)	Q1 FY24	% Share	Q1 FY23	% Share
Karnataka	1,152	26.1%	1,026	27.8%
Maharashtra	873	19.7%	758	20.5%
Tamil Nadu	917	20.7%	862	23.4%
Madhya Pradesh	337	7.6%	301	8.2%
Other States & UT	1,145	25.9%	742	20.1%
Total	4,423	100.0%	3,689	100.0%

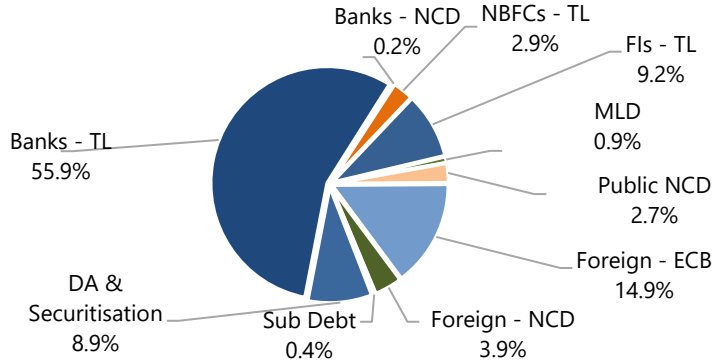
GLP (INR Cr)	Q1 FY24	% Share	Q1 FY23	% Share
Karnataka	7,204	33.0%	5,589	35.8%
Maharashtra	4,484	20.6%	3,309	21.2%
Tamil Nadu	4,331	19.9%	3,260	20.9%
Madhya Pradesh	1,420	6.5%	1,115	7.1%
Other States & UT	4,374	21.0%	2,342	15.0%
Total	21,814	100.0%	15,615	100.0%

Exposure of Districts (% of GLP)	Q1 FY24	
	No. of Districts	% of Total Districts
< 0.5%	290	82.2%
0.5% - 1%	40	11.3%
1% - 2%	19	5.4%
2% - 4%	4	1.1%
> 4%	0	0%
Total	353	100.0%

Q1 FY24 – Top Districts	% of Total GLP
Top 1	2.7%
Top 3	7.9%
Top 5	11.8%
Top 10	19.4%
Other	80.6%



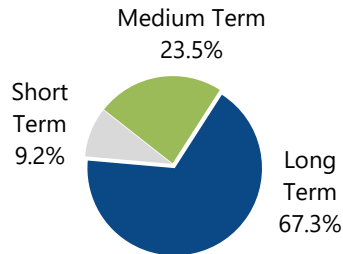
Liability Mix - Institution / Instrument Wise (%)



Note: O/S Direct Assignment (Sold Portion) - INR 1,555.0 Cr

Share of Foreign Borrowings at 19%

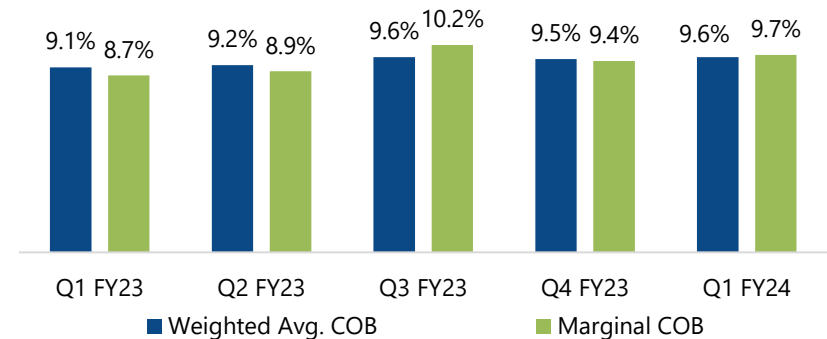
Liability Mix - Tenure Wise (%)



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:
 - 47 Commercial Banks, 3 Financial Institutions, 16 Foreign Lenders, 6 NBFCs
- Continued focus to minimize the cost of borrowing

Cost of Borrowing (%)

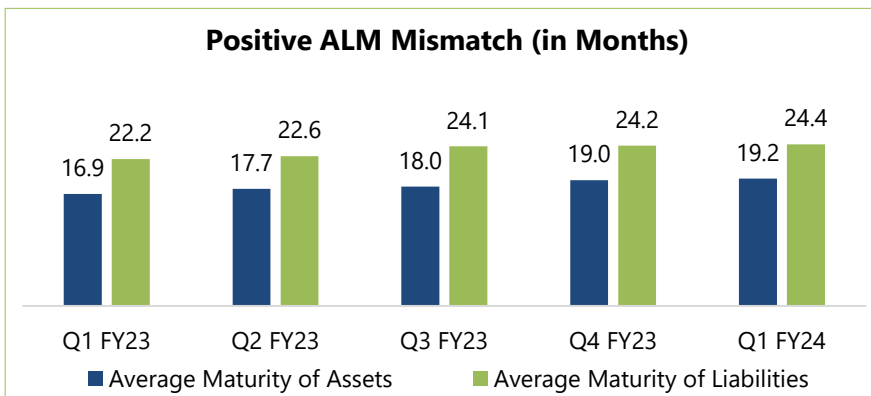


Q1 FY24: Stable Liquidity/ALM Position/ Credit Ratings

Static Liquidity / ALM Position Particulars (INR Cr)	For the Month			For the Financial Year	
	Jul-23	Aug-23	Sep-23	Oct-23 to Mar-24	FY25
Opening Cash & Equivalents (A)	1,921.9	2,113.2	2,764.9	3,109.8	6,994.3
Loan recovery [Principal] (B)	1,176.5	1,299.3	1,172.3	10,360.1	9,438.5
Total Inflow (C=A+B)	3,098.4	3,412.5	3,937.2	13,469.8	16,432.8
Borrowing Repayment [Principal]					
Term loans and Others (D)	751.6	462.1	499.6	4,763.0	4,890.0
NCDs (E)	38.3	0.0	139.0	376.0	504.0
Direct Assignment (F)	195.2	185.5	188.9	1,336.5	574.0
Total Outflow G=(D+E+F)	985.2	647.6	827.5	6,475.5	5,968.0
Closing Cash & equivalents (H= C-G)	2,113.2	2,764.9	3,109.8	6,994.3	10,464.8
Static Liquidity (B-G)	191.3	651.7	344.9	3,884.6	3,470.5

Debt Diversification	Q1 FY24
Total Drawdowns	2,958
Domestic *	61%
Foreign	39%
Undrawn Sanction	3,431
Domestic	73%
Foreign	27%
Sanctions in Pipeline	9,580
Domestic	95%
Foreign	5%

* Includes Direct Assignment of INR 505 Cr



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

* Institutional Grading/Code of Conduct Assessment (COCA)

Key Business Updates

Financial Results Overview

Investment Rationale



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

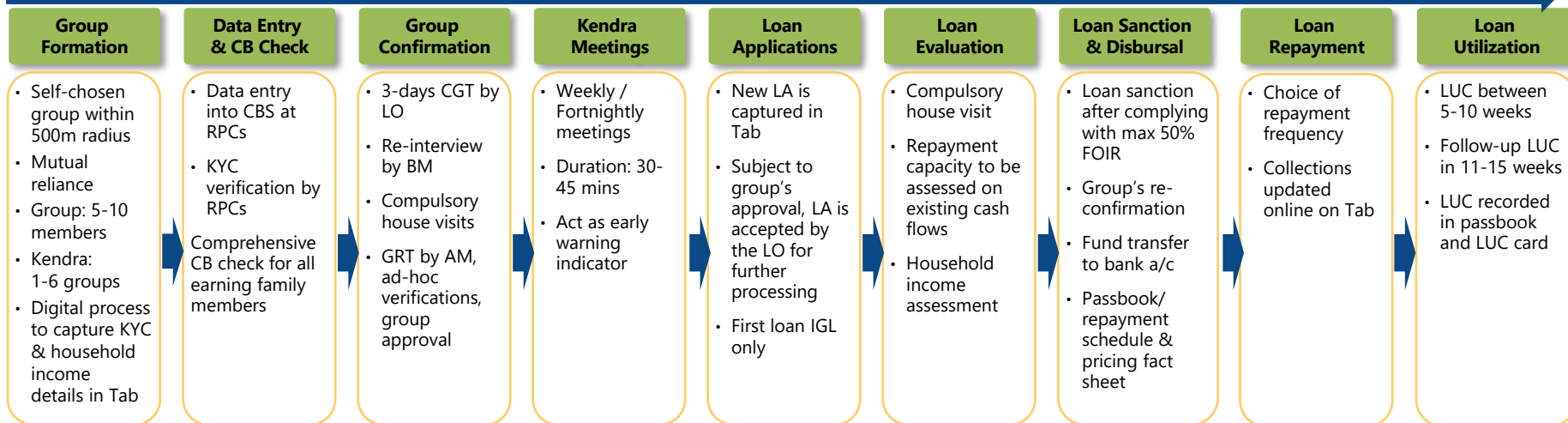
JLG Benefits:

- ✓ 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



“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



Calibrated Expansion Through Contiguous District-Based Approach



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



Ensures consistent replication of processes/ controls



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



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

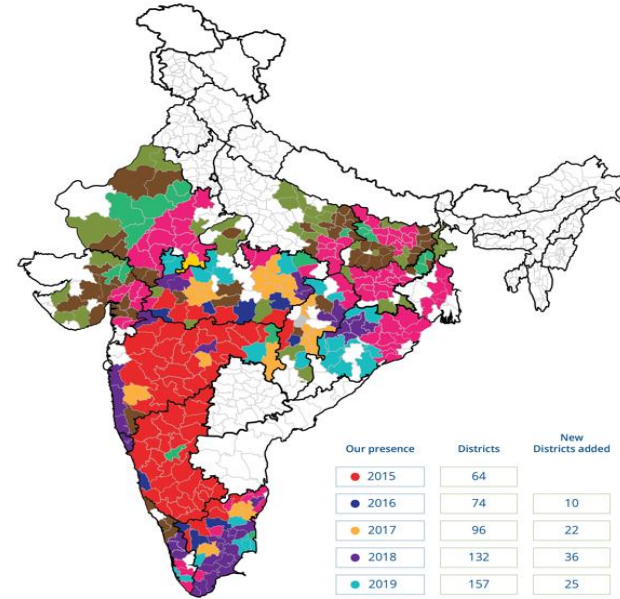


Gradual expansion into the next (typically adjoining) district



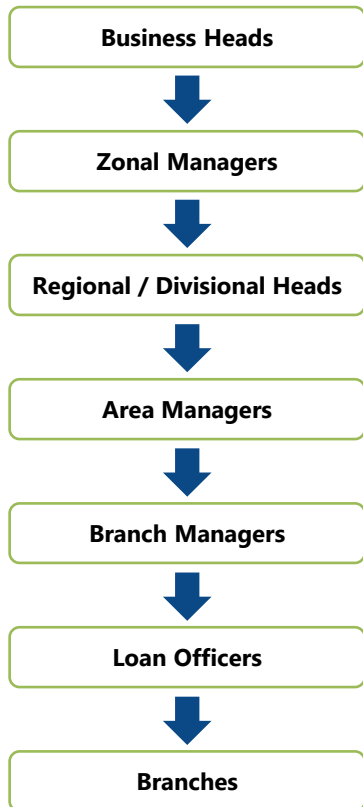
Lower exposure to a particular district (99% of districts \leq 2% of GLP, No single district has > 4% of total GLP)

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	248	91
● 2021	265	17
● 2022	319	54
● 2023	352	33
● 3M 2024	353	1

Well-Established Operational Structure



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 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):

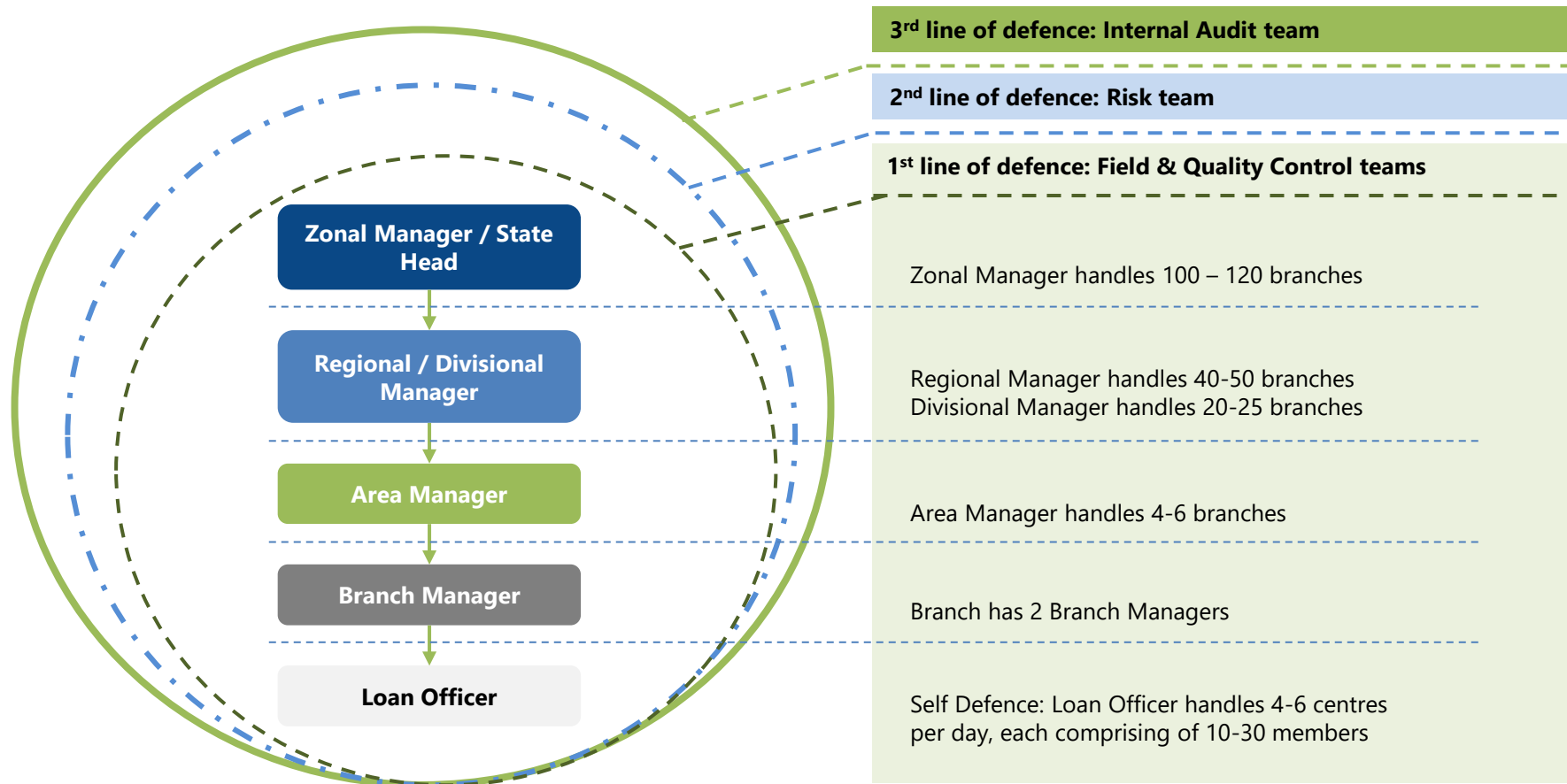
- Fort-nightly branch visits
- Complements internal audit function by early identification of operational risks
- Branch sanitization, fraud investigation, PAR investigation, support new business expansion



Field Risk Control (FRC):

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

Strong Internal Control Structure: Three Lines Of Defence



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



High touch-high tech delivery model:

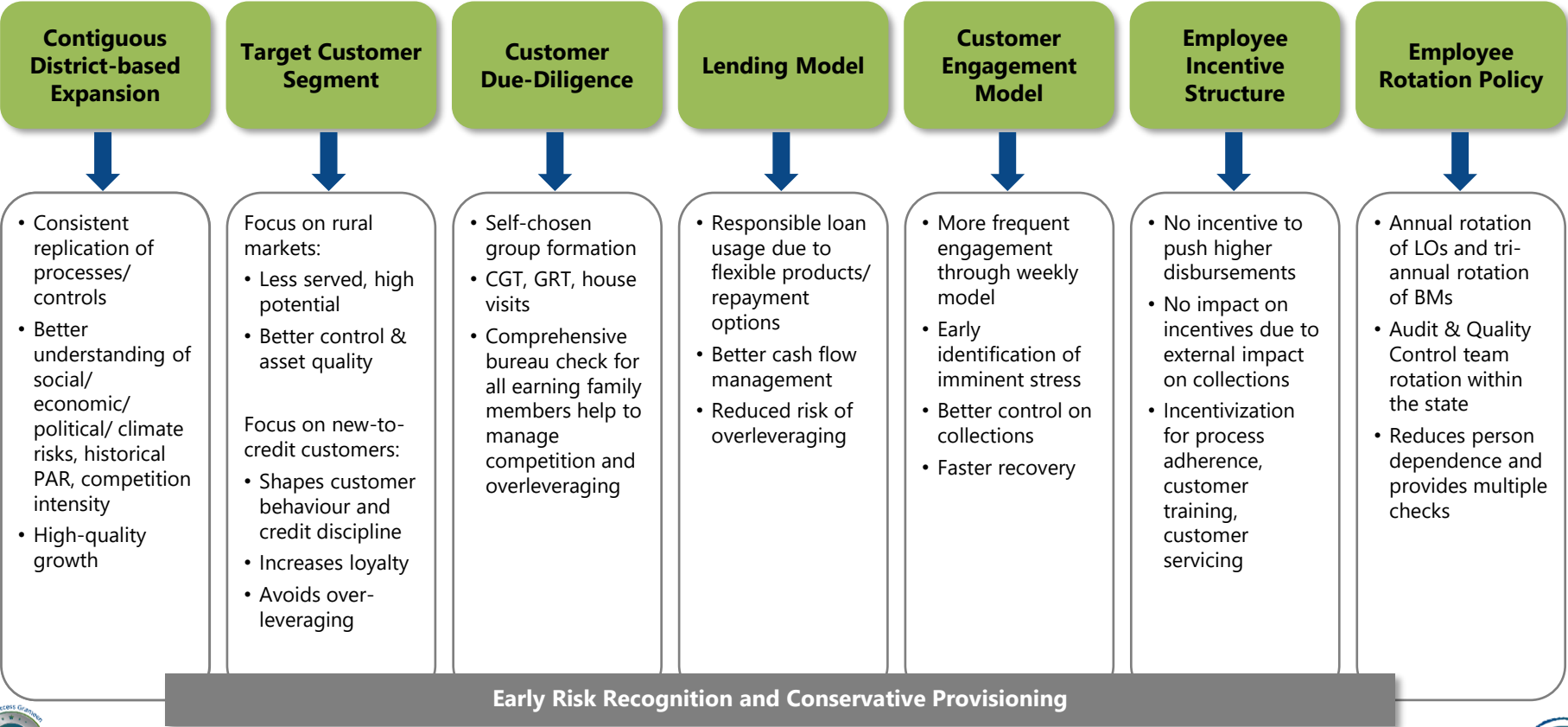
- Digitized all customer touchpoints
- Field staff equipped with handheld tabs for managing Kendra meetings & collections
- Automated/ paperless customer on-boarding, faster KYC, and CB checks
- Lower TAT, same day and on-field loan disbursements
- Geotagging of Kendra locations to optimize field visits
- 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

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



Cross-Cycle ROA (%)

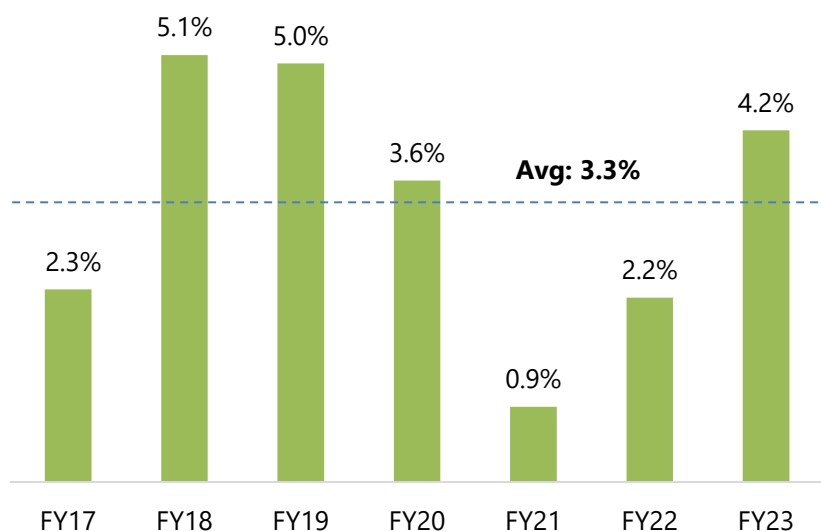
Strong Cross Cycle Performance Despite Several Crisis

**FY17-FY18
Demonetisation**

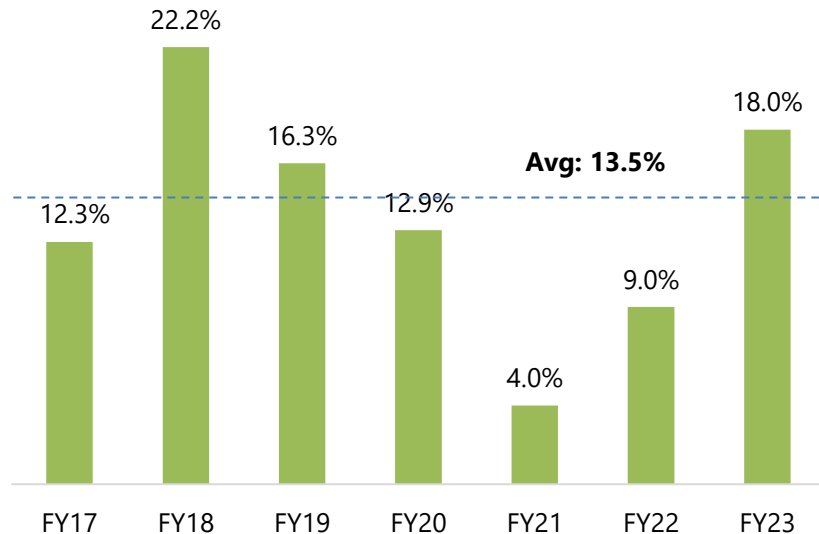
**FY19
Floods,
NBFC crisis**

**FY21
Covid
Wave 1**

**FY22
Covid
Wave 2**



Cross-Cycle ROE (%)





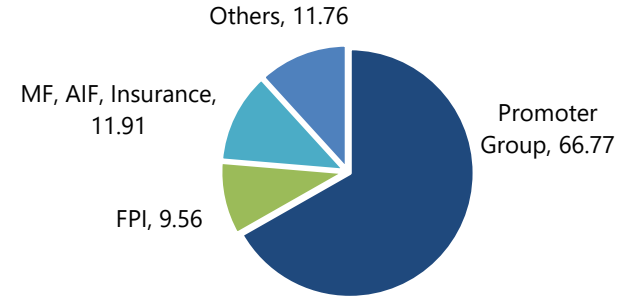
Committed to Micro Finance Business

- 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%, individuals/HNIs/Family Offices 67.1%
- Headquartered in Amsterdam, The Netherlands

Strong Financial Support via Patient Capital

- 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 66.77% in CA Grameen, committed to holding up to the regulatory requirement in future

Shareholding Pattern – June 2023

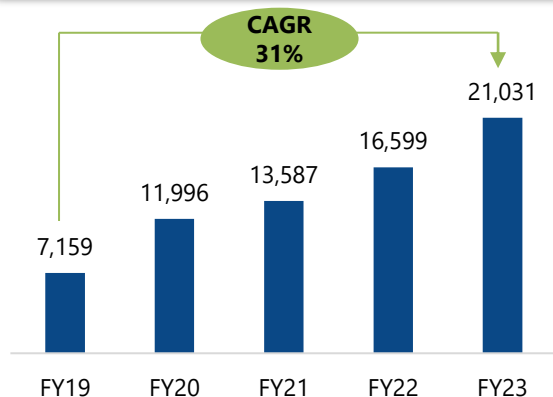


Top 10 Institutional Investors – June 2023

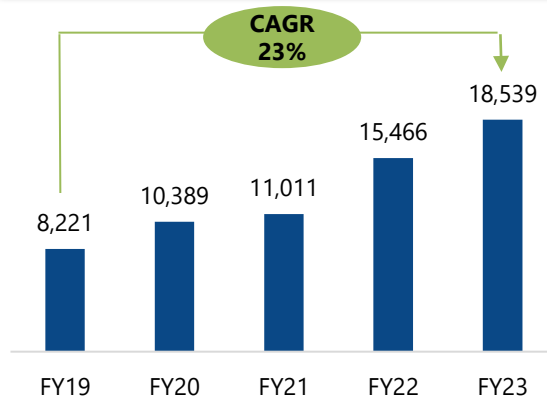
Axis Mutual Fund
Canara Robeco Mutual Fund
Edelweiss Mutual Fund
Government Pension Fund Global
ICICI Prudential Life Insurance
Nippon India Mutual Fund
PGIM India Mutual Fund
T Rowe Price
UTI Mutual Fund
Vanguard

Past Five Years Performance Track Record (1/2)

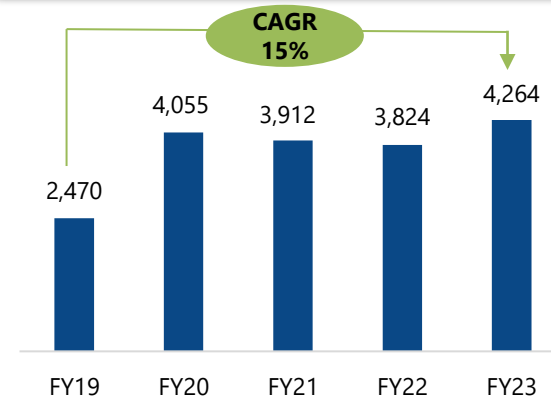
Gross Loan Portfolio (GLP) (INR Cr)



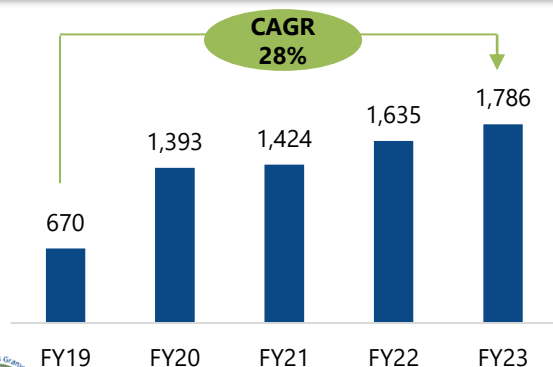
Disbursements



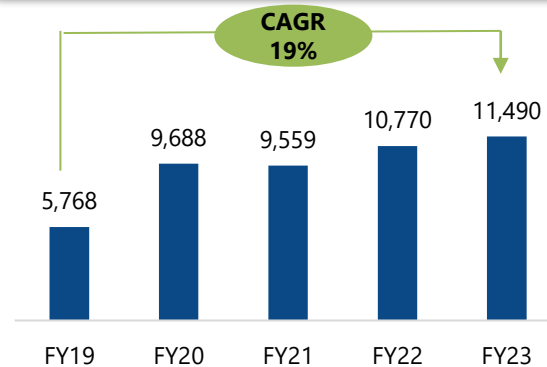
Active Borrowers ('000)



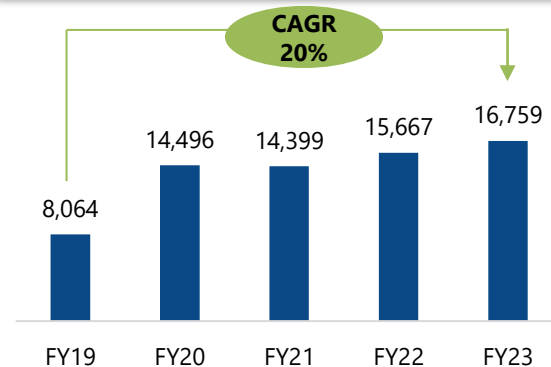
Branch Network



Loan Officers



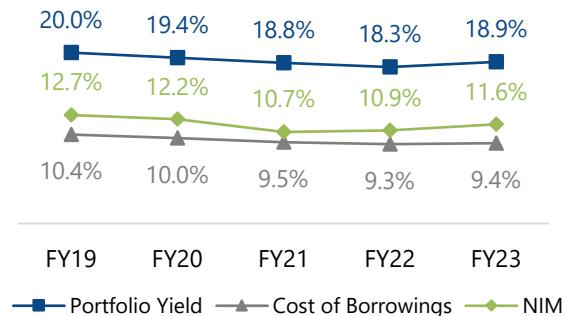
Employees



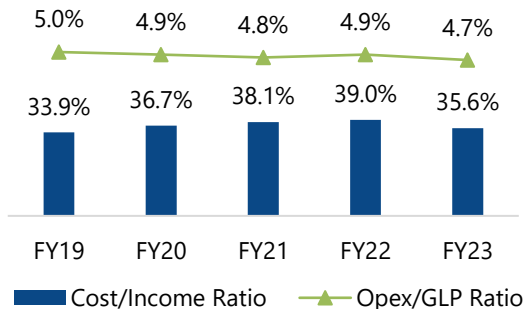
Past Five Years Performance Track Record (2/2)

Note: Refer Annexure for definition of key ratios

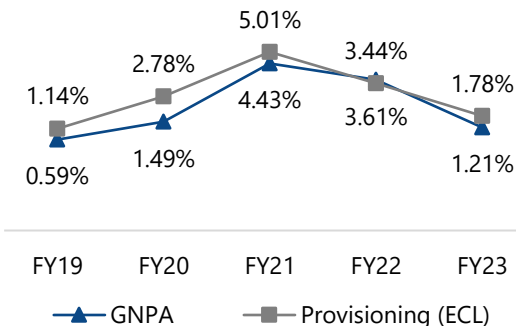
Margin Analysis (%)



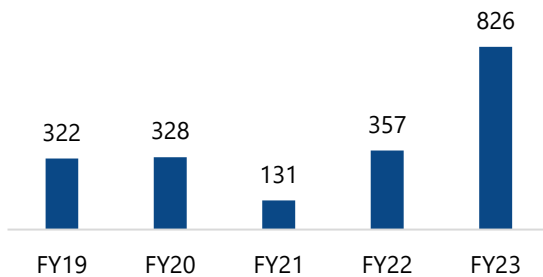
Operating Efficiency (%)



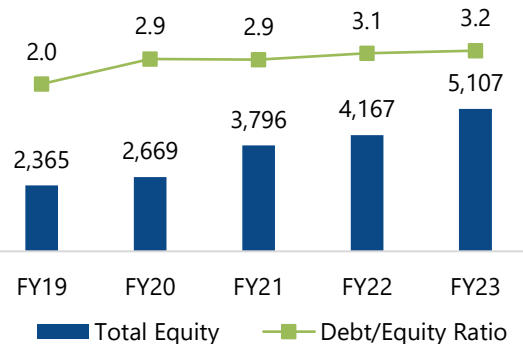
Asset Quality (%)



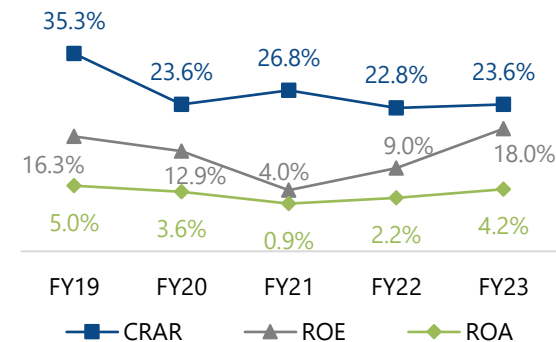
PAT (INR Cr)



Total Equity (INR Cr) & Debt/Equity Ratio



Return Ratios & Capital Adequacy (%)



Note: FY23 figures have been restated post-completion of CA Grameen - MMFL legal merger

www.creditaccessgrameen.in

Key Ratios: Definitions

1. Portfolio Yield = (Interest on loans – processing fees + Income from securitisation)/ Avg. quarterly on-book loans
2. Weighted Avg. COB = (Borrowing cost – finance lease charges) / Daily average borrowings (excl. Financial Liability towards Portfolio Securitized)
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 + Financial Liability towards Portfolio Securitized
9. GNPA = Stage III exposure at default / (Sum of exposure at a default of Stage I + Stage II + Stage III)
10. NNPA = (Stage III exposure at default – Stage III ECL) / (Sum of exposure at a default of Stage I + Stage II + Stage III – Stage III ECL)
11. Provisioning (ECL) = (Stage I ECL + Stage II ECL + Stage III ECL) / (Sum of exposure at a default of Stage I + Stage II + Stage III)



For Further Queries:

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