Forging a **Path**
Towards a
Stronger Future

CreditAccess Grameen

CreditAccess Grameen Limited

Q2 & H1 FY24 Investor Presentation

October 2023

CreditAccess Grameen
25
Years of Excellence & Women Empowerment

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 regimes, 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 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

Financial Results Overview

Investment Rationale

Q2 FY24: Key Business Highlights

CreditAccess® Grameen

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

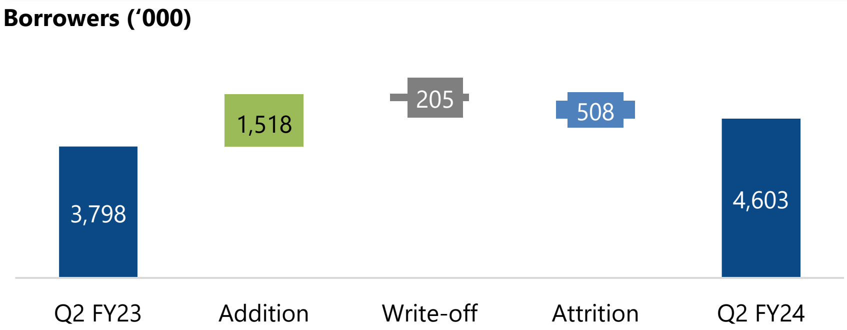
	Q2 FY24	YoY%	QoQ%
GLP (INR Cr)	22,488	+36.0%	+3.1%
Borrowers (Lakh)	46.03	+21.2%	+4.1%
Disbursements (INR Cr)	4,966	+13.5%	+4.1%
NII (INR Cr)	772	+49.6%	+1.1%
PPOP (INR Cr)	563	+68.3%	+3.5%
PAT (INR Cr)	347	+98.1%	-0.4%
NIM %	13.1%	+111 bps	+12 bps
ROA %	5.6%	+170 bps	-23 bps
ROE %	24.7%	+897 bps	-172 bps

Collections Efficiency (Excl. Arrears) %	98.7%
GNPA (largely @ 60+ dpd) %	0.77%
ECL Provisioning %	1.60%
NNPA %	0.24%
PAR 90+ %	0.60%
CRAR %	25.0% (Tier 1: 24.1%)

- Healthy customer additions of 3.36 Lakh, 40% coming from outside of the top 3 states
- Normalised collections & best-in-class asset quality
- Strong NIMs, PPOP momentum and return ratios
- Strong capital adequacy position
- Added 51 new branches for future growth
- Entered Andhra Pradesh (8 new branches) and Telangana (4 new branches) in contiguous districts
- Raised INR 990 Cr public NCD with avg. coupon of 9.3% and avg. tenure of 3 years

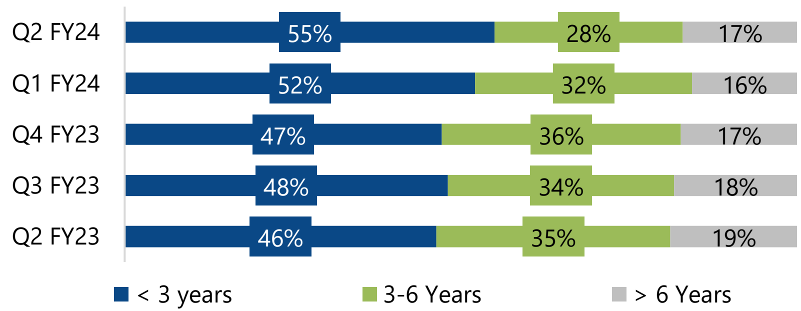
Customer Growth Led By Robust Additions & High Retention

Robust Borrower Additions



New Borrower Addition over past 12 Months	Total	% Share
Karnataka	2,84,100	18.7%
Maharashtra	2,51,892	16.6%
Tamil Nadu	3,09,823	20.4%
Other States	**6,72,009**	**44.3%**
Total	**15,17,824**	**100.0%**

Borrower Vintage



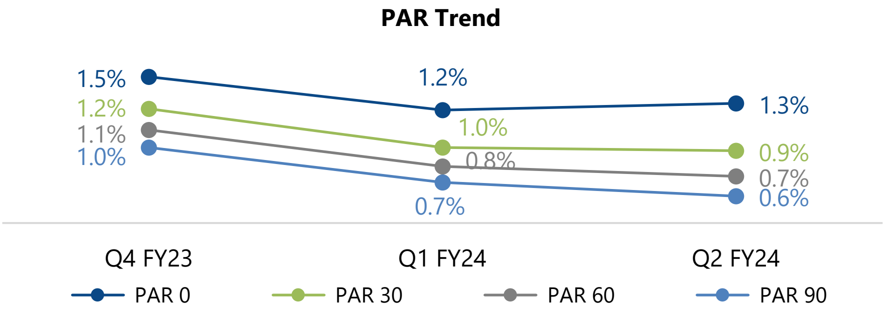
GLP / Borrower Vintage-wise	Q4 FY23	Q1 FY24	Q2 FY24
< 3 Years	40,244	40,912	40,611
3-6 Years	51,948	53,369	54,146
> 6 Years	67,234	69,526	68,002
Total	**49,320**	**49,319**	**48,852**

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 >= INR 75,000 are offered for 3-years
- 3-years loans: **29.4% of GLP**

Best-In-Class Asset Quality



Q2 FY24 (INR Cr) Asset Classification (dpd)		Consolidated EAD	Consolidated EAD%	Consolidated ECL%
Stage 1	0 – 15 (GL), 0 – 30 (RF)	21,177.6	98.9%	0.9%
Stage 2	16 – 60 (GL), 31 – 90 (RF)	67.4	0.3%	54.0%
Stage 3	60+ (GL), 90+ (RF)	165.7	0.77%	69.3%
Total		**21,410.7**	**100.0%**	**1.6%**
GNPA (Gross Stage 3)		**0.77%**		
NNPA (Net Stage 3)		**0.24%**		

Note: RF only accounts for 1.6% of overall loan book

The ECL provisioning of **INR 343.2 Cr** is **higher by INR 130 Cr** compared to provisioning of **INR 213 Cr** required as **per IRAC norms**

Management overlay of INR 3.7 Cr (part of Stage 3 ECL) set aside for the **legacy MMFL book** of **INR 34 Cr,** which now only accounts for only **0.2% of overall GLP**

Credit Cost (INR Cr)	Q2 FY24	H1 FY24
Opening ECL - (A)	323.7	347.8
Additions (B)		
- Provisions as per ECL	69.2	112.2
Reversals (on account of write-off) (C)	49.6	116.8
Closing ECL (D = A+B-C)	343.2	343.2
Write-off (E)	76.4	176.9
Credit Cost (F = B-C+E)	**95.9**	**172.3**
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non-annualised)	**0.5%**	**0.8%**
Bad-Debt Recovery (G)	11.7	23.8
Net P&L Impact (F – G)	**84.1**	**148.5**
Net P&L Impact – % of Avg. On-Book Loan Portfolio (non-annualised)	**0.4%**	**0.7%**

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

Comfortably Placed to Maintain Healthy NIMs

Key Metrics	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Avg. New Disbursement Interest Rate %	20.8%	21.5%	21.9%	21.9%	22.0%
Portfolio Yield %	19.1%	19.6%	19.7%	20.7%	21.1%
Weighted Avg. Cost of Borrowing %	9.2%	9.6%	9.5%	9.6%	9.8%
Marginal Cost of Borrowing %	8.9%	10.2%	9.4%	9.7%	9.6%
NIM %	12.0%	11.9%	12.2%	13.0%	13.1%

Performance Vs. Annual Guidance

Key Indicators	FY24 Guidance	H1 FY24 Performance	Reasons For Outperformance	Revised FY24 Guidance
GLP Growth %	24.0% - 25.0%	36.0%	• YoY growth is higher on a low base of H1 FY23	24.0% - 25.0%
NIM %	12.0% - 12.2%	13.1%	• Superior asset quality leading to minimal interest reversals • Strong control over the cost of borrowing • Higher share of portfolio growth funded through internal accruals (CRAR: 25%)	12.7% – 12.8%
Cost-to-Income Ratio %	35.0% - 36.0%	31.3%	• Improved total income profile	31.0% - 33.0%
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non annualized)	1.6% - 1.8%	0.8%	• Healthy asset quality	1.6% - 1.8%
Return on Assets %	4.7% - 4.9%	5.7%	• More balanced growth across all quarters • Improved total income profile • Robust CRAR	5.4% - 5.6%
Return on Equity %	20.0% - 21.0%	25.5%	• Improved overall profitability	24.0% - 25.0%

Discussion Summary

Key Business Updates

Financial Results Overview

Investment Rationale

Q2 FY24: Key Performance Highlights

GLP INR 22,488 Cr (+36.0% YoY)	Disbursements INR 4,966 Cr (+13.5% YoY)	NIM 13.1% Wtd. Avg. COB 9.8%	Cost/Income Ratio 31.7% Opex/GLP Ratio 4.7%	PPOP INR 563 Cr (+68.3% YoY)
PAT INR 347 Cr (+98.1% YoY)	ROA 5.6% ROE 24.7%	CRAR Total 25.0% CRAR Tier 1 24.1%	Total Equity INR 5,798 Cr D/E Ratio 3.0	GNPA: 0.77% NNPA: 0.24% PAR 90+: 0.60%
Collection Efficiency (Excl. Arrears) 98.7%	Provisioning: 1.60% Write-off INR 76 Cr	Branches 1,877 (+11.5% YoY)	Employees 19,241 (+20.1% YoY)	Active Borrowers 46.03 Lakh (+21.2% YoY)

H1 FY24: Key Performance Highlights

CreditAccess Grameen

GLP **INR 22,488 Cr** **(+36.0% YoY)**	**Disbursements** **INR 9,737 Cr** **(+49.3% YoY)**	**NIM** **13.1%** **Wtd. Avg. COB** **9.7%**	**Cost/Income Ratio** **31.3%** **Opex/GLP Ratio** **4.6%**	**PPOP** **INR 1,106 Cr** **(+77.3% YoY)**
PAT **INR 696 Cr** **(+121.7% YoY)**	**ROA** **5.7%** **ROE** **25.5%**	**CRAR Total** **25.0%** **CRAR Tier 1** **24.1%**	**Total Equity** **INR 5,798 Cr** **D/E Ratio** **3.0**	**GNPA: 0.77%** **NNPA: 0.24%** **PAR 90+: 0.60%**
Collection Efficiency (Excl. Arrears) **98.7%**	**Provisioning:** **1.60%** **Write-off** **INR 177 Cr**	**Branches** **1,877** **(+11.5% YoY)**	**Employees** **19,241** **(+20.1% YoY)**	**Active Borrowers** **46.03 Lakh** **(+21.2% YoY)**

Q2 & H1 FY24: P&L Statement

Profit & Loss Statement (INR Cr)	Q2 FY24	Q2 FY23	YoY%	Q1 FY24	QoQ%	H1 FY24	H1 FY23	YoY%	FY23
Interest Income	1,187.4	771.3	53.9%	1,105.2	7.4%	2,292.6	1,507.6	52.1%	3,327.1
- Interest on Loans [1]	1,165.9	762.1	53.0%	1,086.2	7.3%	2,252.1	1,489.7	51.2%	3,277.5
- Interest on Deposits with Banks and FIs	21.5	9.2	134.0%	19.0	13.1%	40.5	17.9	126.7%	49.7
Income from Direct Assignment	8.5	18.1	-53.1%	43.0	-80.3%	51.5	23.2	122.0%	119.7
Finance Cost on Borrowings	423.9	273.2	55.1%	384.9	10.1%	808.8	553.0	46.2%	1,212.9
Net Interest Income	**772.0**	**516.2**	**49.6%**	**763.3**	**1.1%**	**1,535.3**	**977.7**	**57.0%**	**2,234.0**
Non-interest Income & Other Income [2,3]	51.7	24.9	107.5%	22.6	129.0%	74.3	44.1	68.4%	104.0
Total Net Income	**823.7**	**541.1**	**52.2%**	**785.8**	**4.8%**	**1,609.5**	**1,021.8**	**57.5%**	**2,337.9**
Employee Expenses	161.8	129.7	24.7%	156.3	3.5%	318.1	253.6	25.4%	515.2
Other Expenses	87.1	64.2	35.6%	73.6	18.2%	160.7	119.4	34.6%	266.4
Depreciation, Amortisation & Impairment	12.3	12.8	-4.3%	12.1	1.8%	24.3	24.7	-1.6%	49.8
Pre-Provision Operating Profit	**562.6**	**334.4**	**68.3%**	**543.8**	**3.5%**	**1,106.4**	**624.1**	**77.3%**	**1,506.4**
Impairment of Financial Instruments	95.9	105.4	-9.0%	76.4	25.5%	172.3	206.3	-16.5%	401.0
Profit Before Tax	**466.8**	**229.0**	**103.8%**	**467.4**	**-0.1%**	**934.2**	**417.8**	**123.6%**	**1,105.4**
Total Tax Expense	119.7	53.9	122.3%	118.9	0.7%	238.6	104.1	129.2%	279.4
Profit After Tax	**347.0**	**175.1**	**98.1%**	**348.5**	**-0.4%**	**695.5**	**313.7**	**121.7%**	**826.1**
Key Ratios	**Q2 FY24**	**Q2 FY23**		**Q1 FY24**		**H1 FY24**	**H1 FY23**		**FY23**
Portfolio Yield	21.1%	19.1%		20.7%		20.9%	18.6%		18.9%
Cost of Borrowings	9.8%	9.2%		9.6%		9.7%	9.2%		9.4%
NIM	13.1%	12.0%		13.0%		13.1%	11.4%		11.6%
Cost/Income Ratio	31.7%	38.2%		30.8%		31.3%	38.9%		35.6%
Opex/GLP Ratio	4.7%	5.1%		4.5%		4.6%	4.9%		4.7%

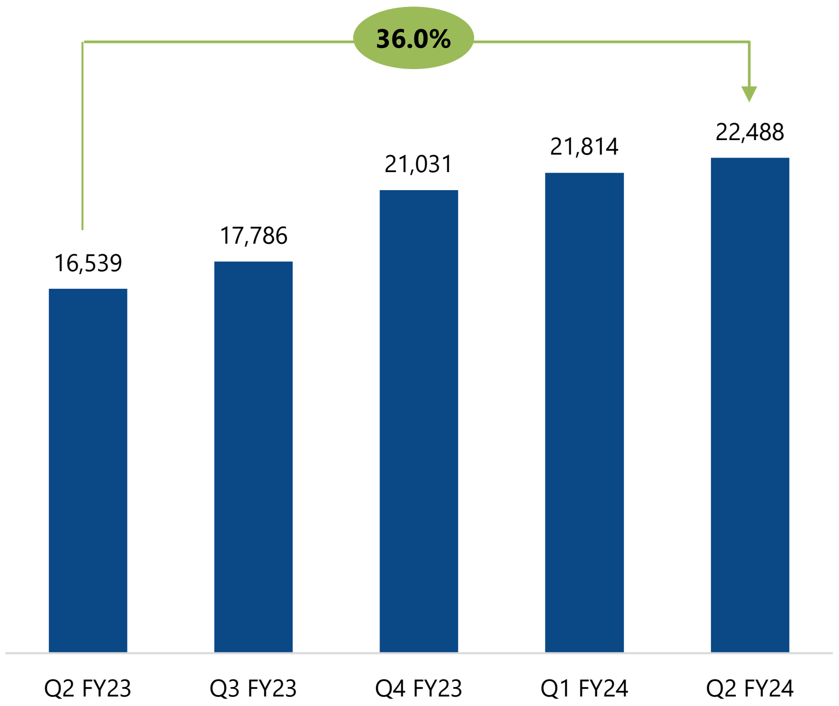
1) Interest income (on Stage 3 portfolio) de-recognized was INR 12.7 Cr in Q2 FY24 vs. 14.8 Cr in Q1 FY24 and INR 20.5 Cr in Q2 FY23
2) Bad debt recovery was INR 11.7 Cr in Q2 FY24 vs 12.0 Cr in Q1 FY24 and INR 14.5 Cr in Q2 FY23
3) Insurance distribution income was INR 30.0 Cr in Q2 FY24 vs INR 5.9 Cr in Q1 FY24 and INR 3.9 Cr in Q2 FY23

Q2 & H1 FY24: Balance Sheet

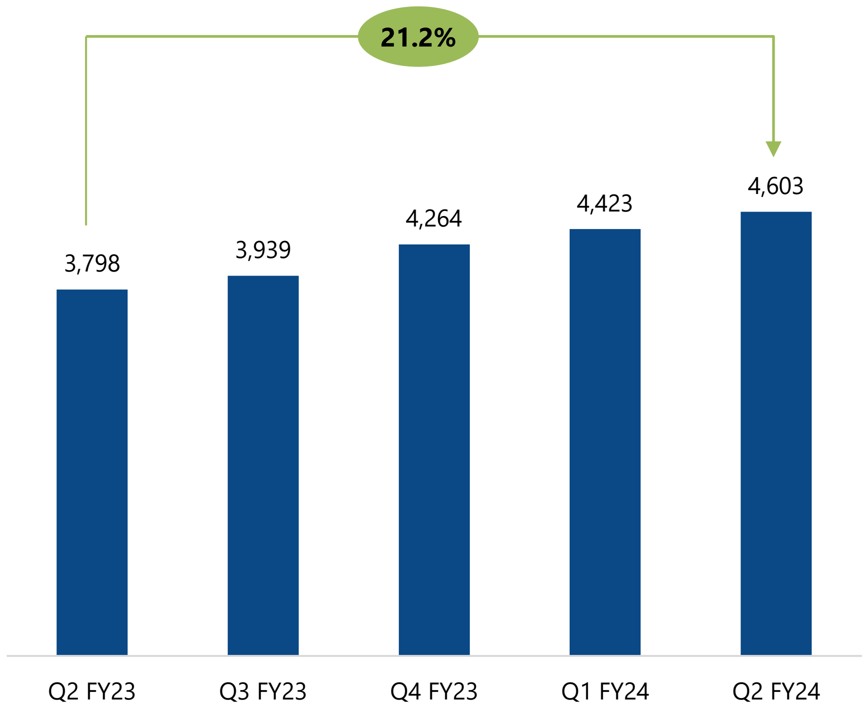
Balance Sheet (INR Cr)	Q2 FY24	Q2 FY23	YoY%	Q1 FY24	QoQ%	H1 FY24	H1 FY23	FY23
Cash & Other Bank Balances	1,408.3	757.1	86.0%	1,303.3	8.1%	1,408.3	757.1	1,436.4
Investments	740.5	389.7	90.0%	731.2	1.3%	740.5	389.7	454.5
Loans - (Net of Impairment Loss Allowance)	20,880.1	15,195.9	37.4%	19,820.2	5.3%	20,880.1	15,195.9	18,939.8
Property, Plant and Equipment	30.3	30.9	-1.8%	30.8	-1.7%	30.3	30.9	32.1
Intangible Assets	120.9	139.6	-13.4%	125.5	-3.7%	120.9	139.6	130.5
Right to Use Assets	71.7	68.6	4.6%	72.7	-1.4%	71.7	68.6	64.7
Other Financial & Non-Financial Assets	326.3	316.5	3.1%	313.8	4.0%	326.3	316.5	320.8
Goodwill	375.7	375.7	0.0%	375.7	0.0%	375.7	375.7	375.7
Total Assets	**23,953.8**	**17,274.0**	**38.7%**	**22,773.2**	**5.2%**	**23,953.8**	**17,274.0**	**21,858.1**
Debt Securities	2,227.7	1,094.9	103.5%	1,433.8	55.4%	2,227.7	1,094.9	1,672.3
Borrowings (other than debt securities)	15,359.4	11,131.8	38.0%	15,304.7	0.4%	15,359.4	11,131.8	14,463.2
Subordinated Liabilities	81.5	81.4	0.1%	79.7	2.3%	81.5	81.4	77.9
Lease Liabilities	86.9	81.1	7.1%	87.2	-0.3%	86.9	81.1	78.9
Other Financial & Non-financial Liabilities	400.6	302.7	32.3%	418.9	-4.4%	400.6	302.7	360.0
Total Equity	**5,797.7**	**4,582.1**	**26.5%**	**5,449.0**	**6.4%**	**5,797.7**	**4,582.1**	**5,107.0**
Total Liabilities and Equity	**23,953.8**	**17,274.0**	**38.7%**	**22,773.2**	**5.2%**	**23,953.8**	**17,274.0**	**21,858.1**
Key Ratios	**Q2 FY24**	**Q2 FY23**		**Q1 FY24**		**H1 FY24**	**H1 FY23**	**FY23**
ROA	5.6%	3.9%		5.8%		5.7%	3.5%	4.2%
D/E	3.0	2.7		3.1		3.0	2.7	3.2
ROE	24.7%	15.7%		26.4%		25.5%	14.4%	18.0%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	0.77%	2.17%		0.89%		0.77%	2.17%	1.21%
Provisioning	1.60%	2.46%		1.59%		1.60%	2.46%	1.78%

Continued Business Traction with Rural Focus

Gross Loan Portfolio (INR Cr)

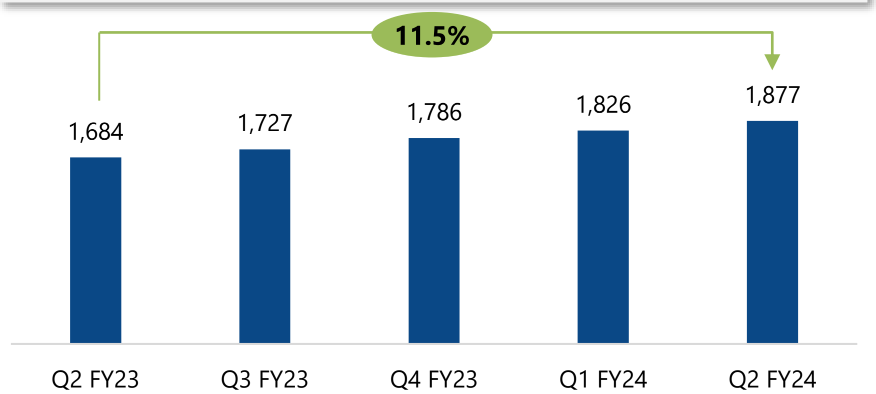


Borrowers ('000)

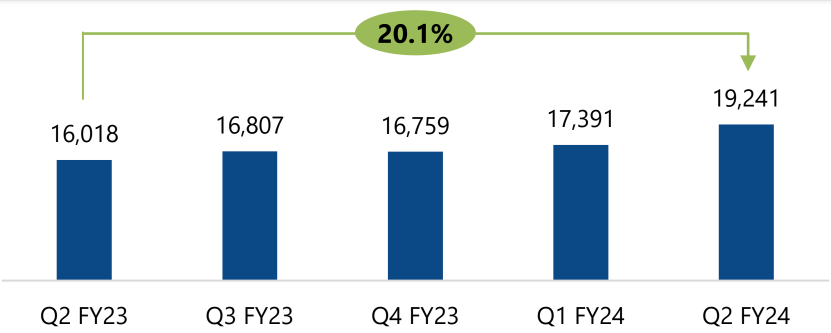


Consistent Growth in Infrastructure

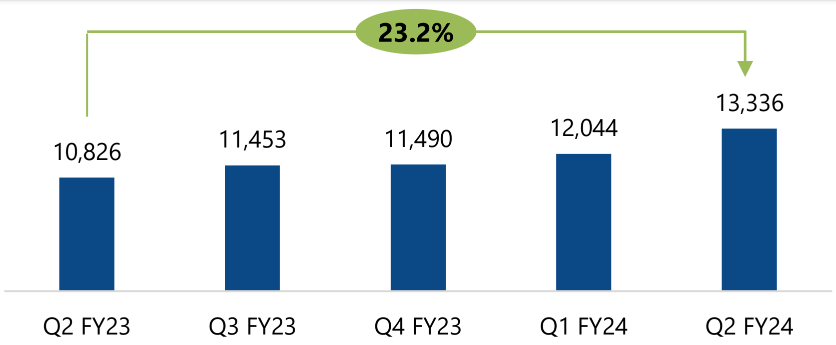
Branches



Employees

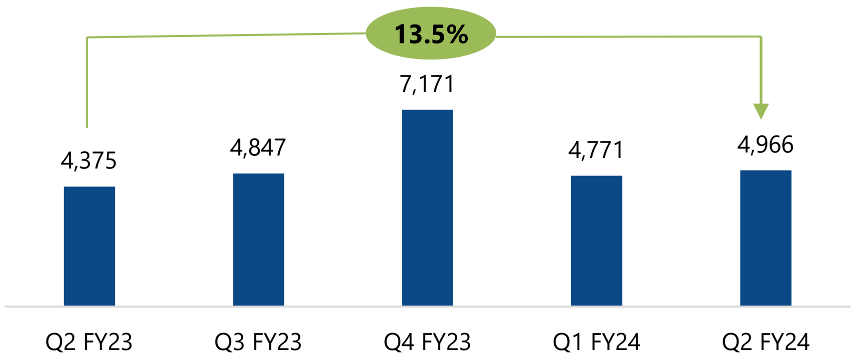


Loan Officers

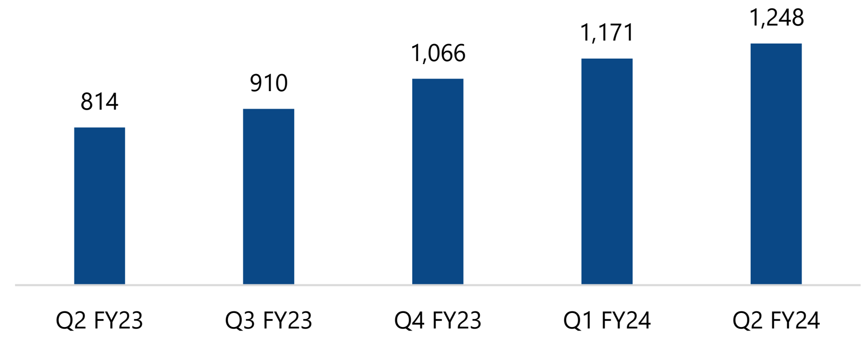


Robust Quarterly Performance Trend (1/2)

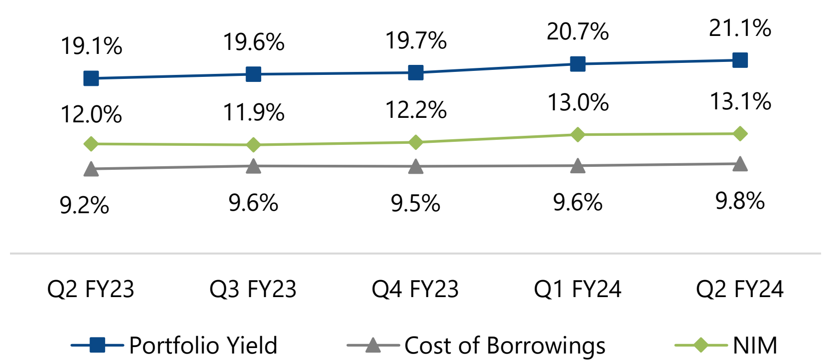
Disbursements (INR Cr)



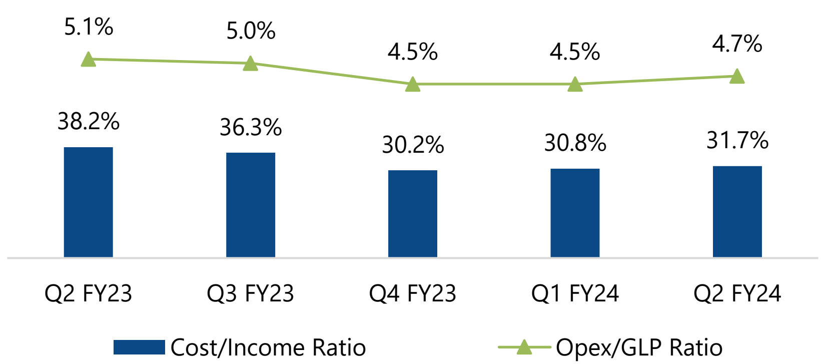
Total Income (INR Cr)



Margin Analysis (%)

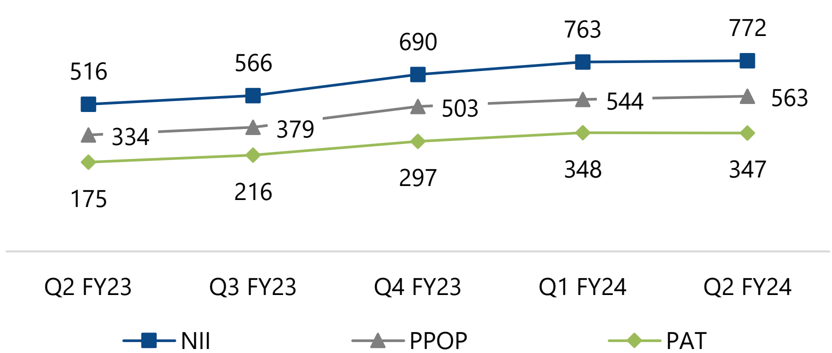


Operating Efficiency (%)

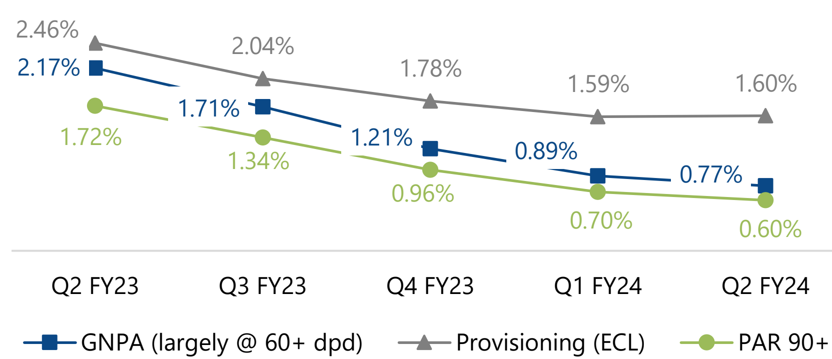


Robust Quarterly Performance Trend (2/2)

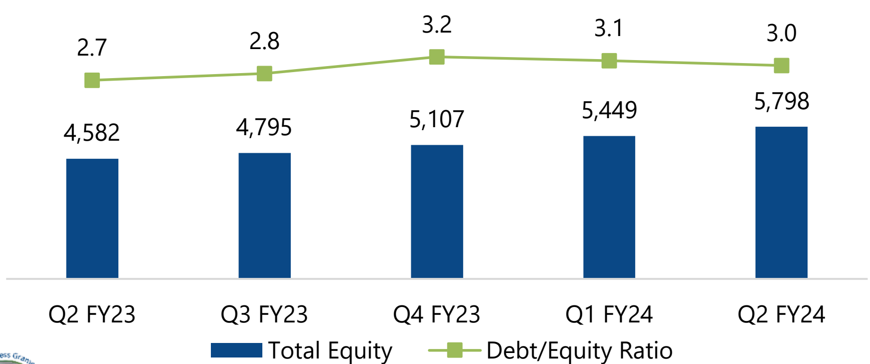
NII, PPOP, PAT (INR Cr)



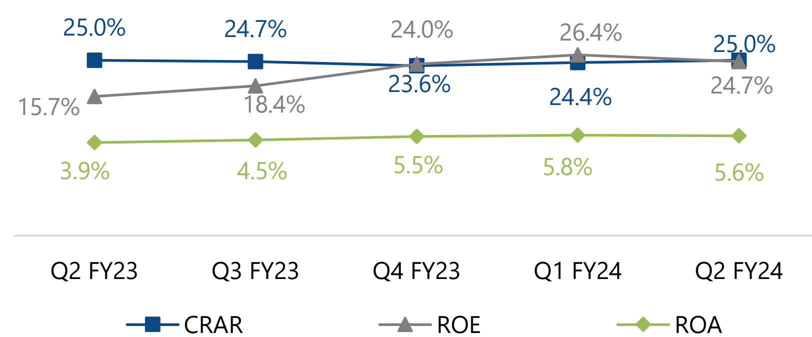
Asset Quality (%)



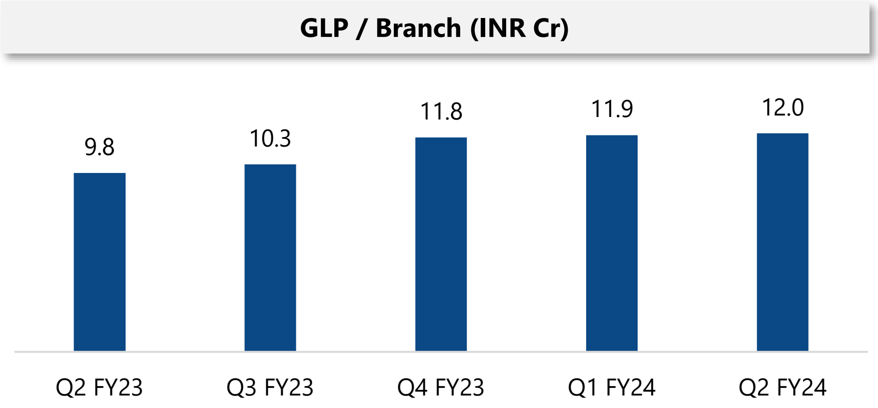
Total Equity (INR Cr) & Debt/Equity Ratio

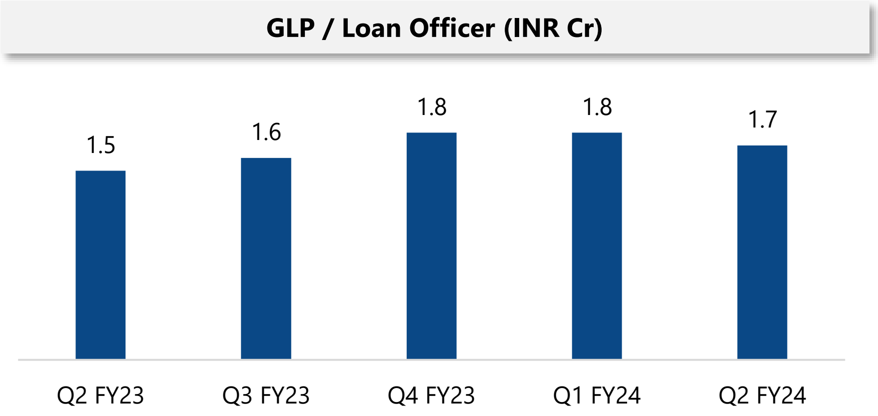


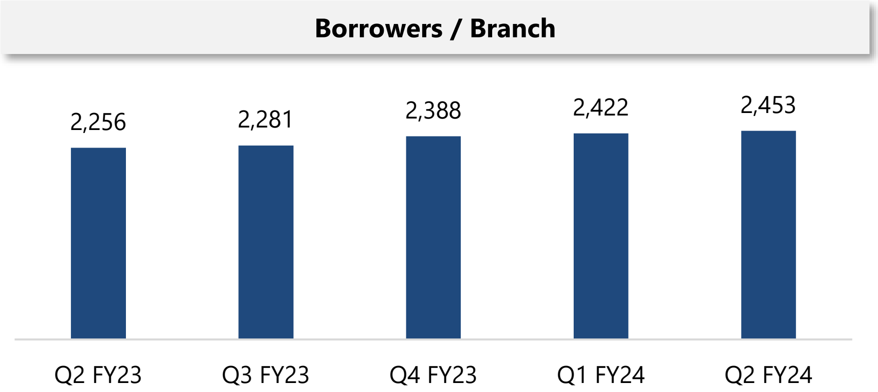
Return Ratios & Capital Adequacy (%)

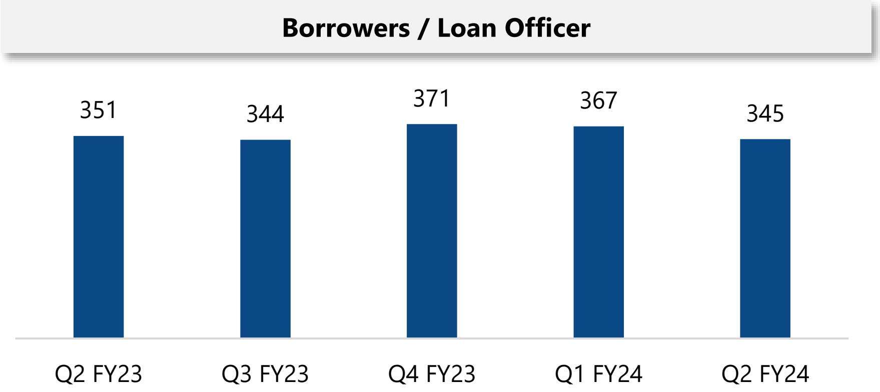


Stable Operational Efficiency









Product Range To Meet Diverse Customer Needs

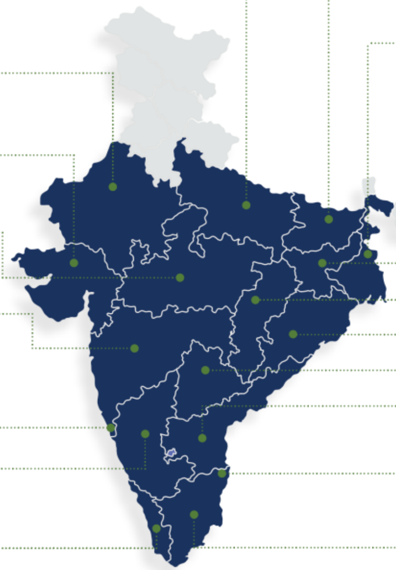
GLP - Product Mix	Q2 FY23 (INR Cr)	Q2 FY23 % of Total	Q3 FY23 (INR Cr)	Q3 FY23 % of Total	Q4 FY23 (INR Cr)	Q4 FY23 % of Total	Q1 FY24 (INR Cr)	Q1 FY24 % of Total	Q2 FY24 (INR Cr)	Q2 FY24 % of Total
IGL	15,801	96%	17,054	96%	20,090	96%	20,670	95%	21,103	94%
Family Welfare	185	1%	125	0.7%	67	0%	148	1%	150	1%
Home Improvement	429	2%	486	3%	698	3%	778	3%	877	4%
Emergency	7	0%	9	0%	9	0%	7	0%	9	0%
Retail Finance	117	1%	113	0.6%	168	1%	211	1%	349	1.6%
Total	**16,539**	**100%**	**17,786**	**100%**	**21,031**	**100%**	**21,814**	**100%**	**22,488**	**100%**

GLP – Avg. O/S Per Loan (INR '000)	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
IGL	30.0	31.1	34.2	33.1	32.7
Family Welfare	11.0	7.7	4.7	9.2	9.9
Home Improvement	9.4	9.3	10.8	10.8	11.1
Emergency	0.5	0.5	0.6	0.5	0.6
Retail Finance	48.0	51.2	86.9	128.9	149.3
Total	**27.4**	**28.1**	**30.8**	**30.1**	**29.7**

GLP – Avg. O/S Per Borrower (INR '000)	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Group Lending	43.5	45.1	49.1	49.0	48.3
Retail Finance	49.1	51.7	87.7	130.4	151.4
Total	**43.5**	**45.2**	**49.3**	**49.3**	**48.9**

Well-Diversified Presence Across India

Our Presence as on Sep-23
16 States & 1 UT
364 Districts
1,877 Branches



Branch Network	Q2 FY24	% Share	Q2 FY23	% Share
Karnataka	334	17.8%	308	18.3%
Maharashtra	310	16.5%	294	17.5%
Tamil Nadu	384	20.5%	378	22.5%
Madhya Pradesh	149	7.9%	141	8.4%
Other States & UT	700	37.3%	563	33.4%
Total	**1,877**	**100.0%**	**1,684**	**100.0%**

Borrowers ('000)	Q2 FY24	% Share	Q2 FY23	% Share
Karnataka	1,184	25.7%	1,047	27.6%
Maharashtra	897	19.5%	771	20.3%
Tamil Nadu	959	20.8%	853	22.5%
Madhya Pradesh	340	7.4%	307	8.1%
Other States & UT	1,223	26.6%	821	21.6%
Total	**4,603**	**100.0%**	**3,798**	**100.0%**

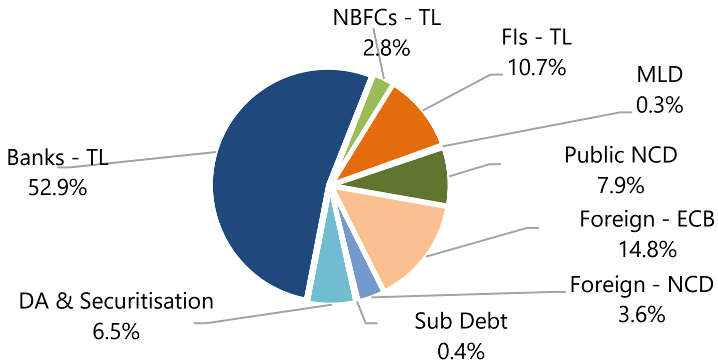
GLP (INR Cr)	Q2 FY24	% Share	Q2 FY23	% Share
Karnataka	7,404	32.9%	5,829	35.2%
Maharashtra	4,632	20.6%	3,491	21.1%
Tamil Nadu	4,487	20.0%	3,460	20.9%
Madhya Pradesh	1,412	6.3%	1,114	6.7%
Other States & UT	4,553	20.2%	2,645	16.0%
Total	**22,488**	**100.0%**	**16,539**	**100.0%**

Exposure of Districts (% of GLP)	Q2 FY24	
	No. of Districts	% of Total Districts
< 0.5%	301	82.7%
0.5% - 1%	41	11.3%
1% - 2%	19	5.2%
2% - 3%	3	0.8%
> 3%	0	0%
Total	**364**	**100.0%**

Q2 FY24 – Top Districts	% of Total GLP
Top 1	2.7%
Top 3	7.9%
Top 5	11.6%
Top 10	19.1%
Other	80.9%

Progressing Well on Liability Strategy

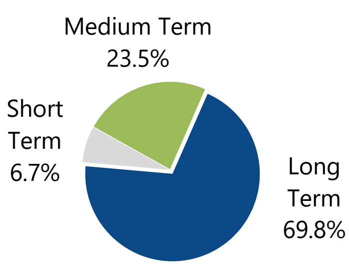
Liability Mix - Institution / Instrument Wise (%)



Note: O/S Direct Assignment (Sold Portion) - INR 1,157.6 Cr

Share of Foreign Borrowings at 18.4%

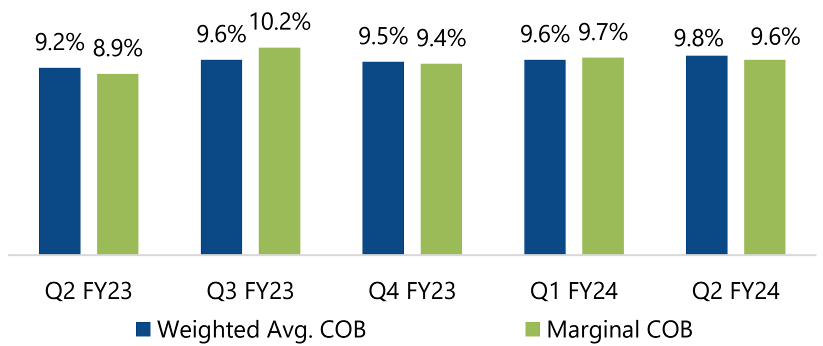
Liability Mix - Tenure Wise (%)



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

Cost of Borrowing (%)

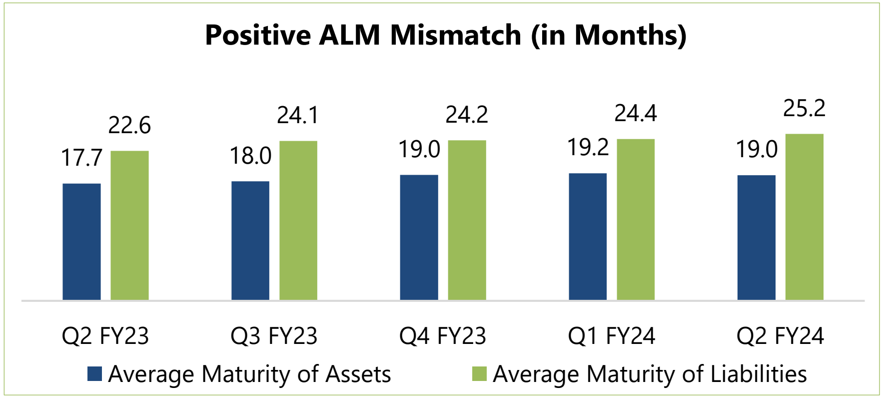


Stable Liquidity/ ALM Position/ Credit Ratings

Static Liquidity / ALM Position	For the Month			For the Financial Year	
Particulars (INR Cr)	Oct-23	Nov-23	Dec-23	Oct-23 to Mar-24	FY25
Opening Cash & Equivalents (A)	2,164.8	2,999.0	3,861.8	4,668.2	9,035.4
Loan recovery [Principal] (B)	1,705.9	1,691.1	1,566.5	9,489.7	13,471.7
Total Inflow (C=A+B)	**3,870.7**	**4,690.1**	**5,428.3**	**14,157.9**	**22,507.1**
Borrowing Repayment [Principal]					
Term loans and Others (D)	760.5	642.2	602.4	4,101.0	6,372.0
NCDs (E)	0.0	53.5	0.0	249.0	504.0
Direct Assignment (F)	111.2	132.6	157.7	772.4	1,005.4
Total Outflow G=(D+E+F)	**871.7**	**828.3**	**760.1**	**5,122.4**	**7,881.4**
Closing Cash & equivalents (H= C-G)	2,999.0	3,861.8	4,668.2	9,035.4	14,625.7
Static Liquidity (B-G)	**834.2**	**862.8**	**806.4**	**4,367.3**	**5,590.3**

Debt Diversification	Q2 FY24
Total Drawdowns	**3,314**
Domestic *	99%
Foreign	1%
Undrawn Sanction	**5,175**
Domestic	84%
Foreign	16%
Sanctions in Pipeline	**7,865**
Domestic	94%
Foreign	6%

* Includes Direct Assignment of INR 91.5 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)

Discussion Summary

Key Business Updates

Financial Results Overview

Investment Rationale

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	Data Entry & CB Check	Group Confirmation	Kendra Meetings	Loan Applications	Loan Evaluation	Loan Sanction & Disbursal	Loan Repayment	Loan Utilization
• 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 into CBS at RPCs • KYC verification by RPCs Comprehensive CB check for all earning family members	• 3-days CGT by LO • Re-interview by BM • Compulsory house visits • GRT by AM, ad-hoc verifications, group approval	• Weekly / Fortnightly meetings • Duration: 30-45 mins • Act as early warning indicator	• New LA is captured in Tab • Subject to group's approval, LA is accepted by the LO for further processing • First loan IGL only	• Compulsory house visit • Repayment capacity to be assessed on existing cash flows • Household income assessment	• Loan sanction after complying with max 50% FOIR • Group's re-confirmation • Fund transfer to bank a/c • Passbook/ repayment schedule & pricing fact sheet	• Choice of repayment frequency • Collections updated online on Tab	• 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

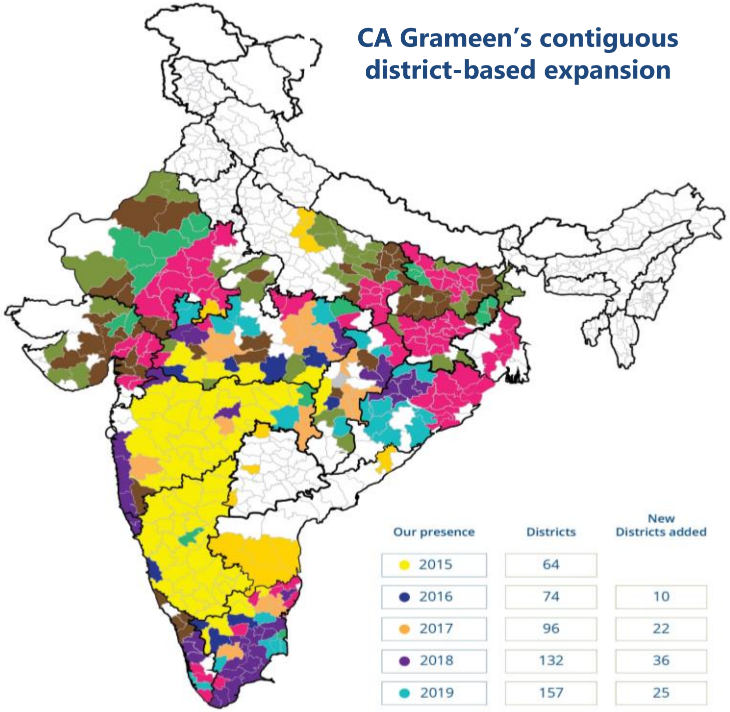
Loan Type	Customer Centric Products	Purpose	Ticket Size (INR)	Tenure (months)
Group	Income Generation Loan (IGL)	Business Investments and Income Enhancement activities	5,000 - 1,00,000	12 – 36
Group	Home Improvement Loan	Water Connections, Sanitation and Home Improvement & Extensions	5,000 - 50,000	12 – 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

88% borrower retention rate signaling high customer satisfaction → **Sustainable & Socially Relevant** → **Significant growth from existing customer** → **Lower customer acquisition cost**

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 <=2% of GLP, No single district has > 3% 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
H1 2024	364	12

Unique Human Capital, Internal Audit & Risk Management

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 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):

- 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

3rd line of defence: Internal Audit team

2nd line of defence: Risk team

1st line of defence: Field & Quality Control teams

Zonal Manager / State Head	↓	Zonal Manager handles 100 – 120 branches
Regional / Divisional Manager	↓	Regional Manager handles 40-50 branches Divisional Manager handles 20-25 branches
Area Manager	↓	Area Manager handles 4-6 branches
Branch Manager	↓	Every branch has 2 Branch Managers
Loan Officer		Self Defence: Loan Officer handles 4-6 centres per day, each comprising of 10-30 members

Continuous Technology Enhancement to Drive Operational Efficiency

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

High touch-high tech delivery model:

- Digitized all customer touchpoints
- Field staff equipped with handheld tabs for managing Kendra meetings & collections
- Automated/ paperless customer on-boarding, faster KYC, and CB checks
- Lower TAT, same day and on-field loan disbursements
- Geotagging of Kendra locations to optimize field visits
- Cashless disbursement / digital repayment options for customers
- Robust CBS to support innovative product features, and enhanced data analytics for anticipating future trends
- Strong tech-enabled internal audit, risk, and control systems to enable real-time field risk monitoring

Future Upgrades & Investments

- Upgradation of CBS to the latest version over the next 18-24 months to enable higher business scalability
- Investment in Enterprise Service Bus and Microservices Architecture will allow us to be more agile and connect seamlessly with external financial and fintech ecosystems
- Enhancement of existing mobility apps including automation of entry through image reading, single platform for all apps
- Extension of workflow capabilities for process automation and more RPA enabled processes for faster processing
- Active exploration of partnerships with fintech players to implement innovative digital solutions
- Investment in zero code platforms and tools leading to faster implementation of new technologies

Integrating Risk Management in Every Operating Process

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

Contiguous District-based Expansion	Target Customer Segment	Customer Due-Diligence	Lending Model	Customer Engagement Model	Employee Incentive Structure	Employee Rotation Policy
• Consistent replication of processes/ controls • Better understanding of social/ economic/ climate political/ climate risks, historical PAR, competition intensity • High quality growth	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	• Self-chosen group formation • CGT, GRT, house visits • Comprehensive bureau check for all earning family members help to manage competition and overleveraging	• Responsible loan usage due to flexible products/ repayment options • Better cash flow management • Reduced risk of overleveraging	• More frequent engagement through weekly model • Early identification of imminent stress • Better control on collections • Faster recovery	• No incentive to push higher disbursements • No impact on incentives due to external impact on collections • Incentivization for process adherence, customer training, customer servicing	• 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

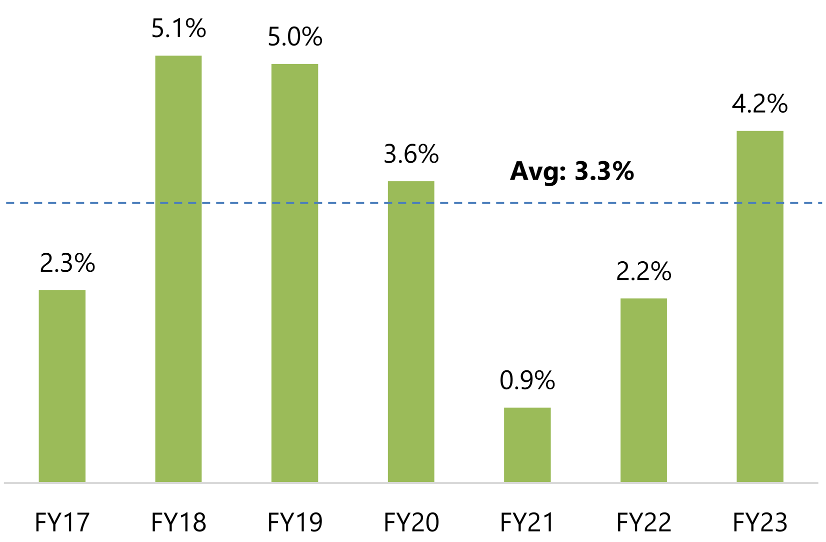
Early Risk Recognition and Conservative Provisioning

Cross Cycle Business Resiliency

Cross-Cycle ROA (%)

Strong Cross Cycle Performance Despite Several Crisis

FY17-FY18 Demonetisation

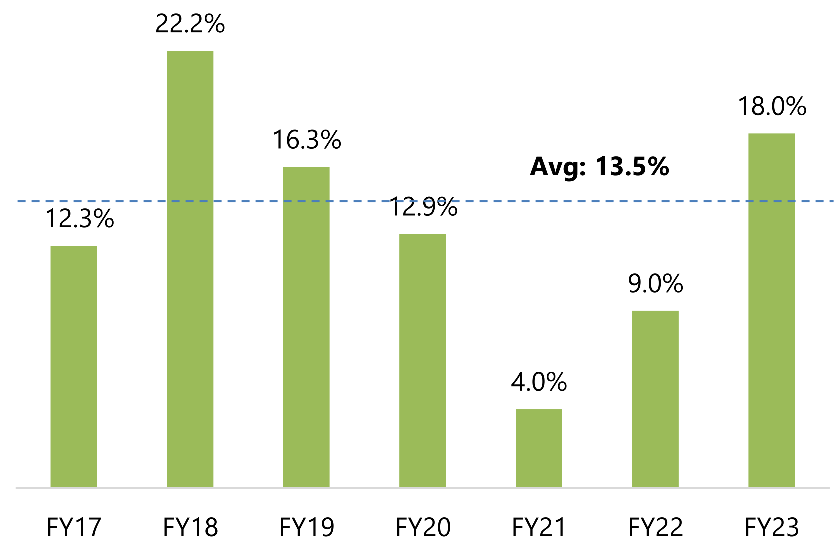


Cross-Cycle ROE (%)

FY19 Floods, NBFC crisis

FY21 Covid Wave 1

FY22 Covid Wave 2



Strong Parentage & Shareholder Base

CreditAccess India

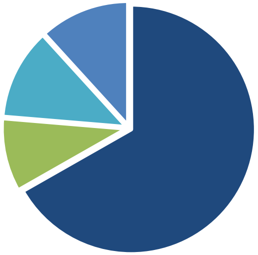
Committed to Micro Finance Business

- 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 67.0%
- 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 66.69% in CA Grameen, committed to holding up to the regulatory requirement in future

Shareholding Pattern – September 2023

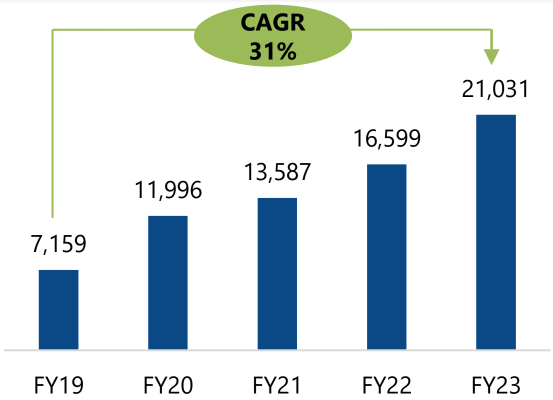


Top 10 Institutional Investors – September 2023
Axis Mutual Fund
Canara Robeco Mutual Fund
Government Pension Fund Global
ICICI Prudential Life Insurance
Invesco Mutual Fund
Nippon India Mutual Fund
PGIM India Mutual Fund
T Rowe Price
UTI Mutual Fund
Vanguard

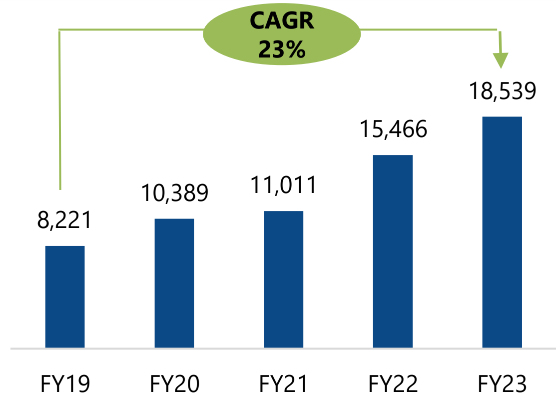
Past Five Years Performance Track Record (1/2)

CreditAccess® Grameen

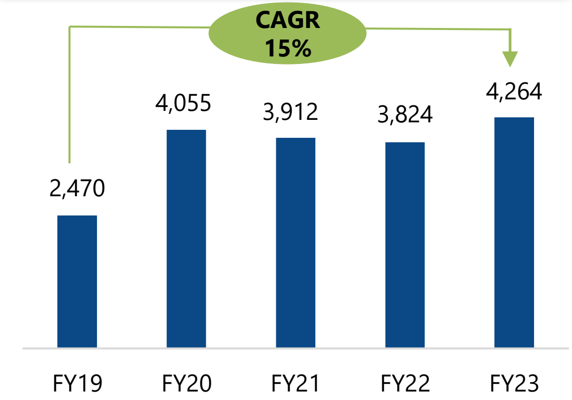
Gross Loan Portfolio (GLP) (INR Cr)



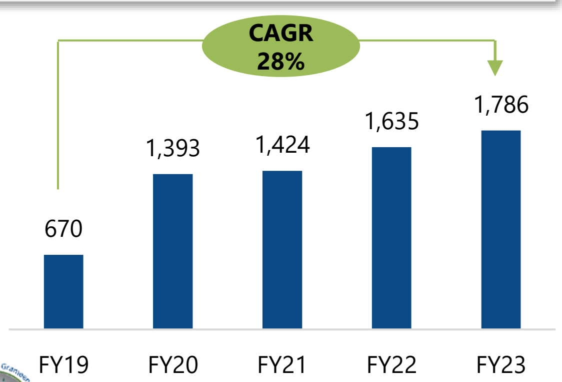
Disbursements



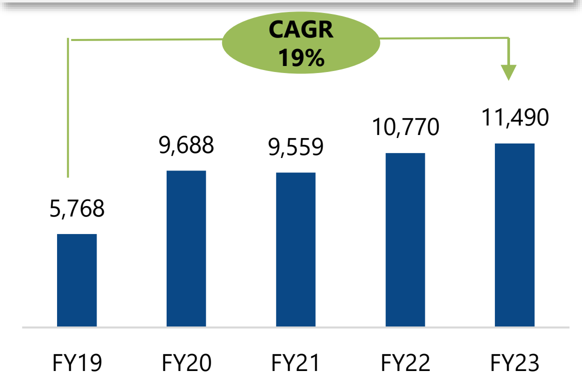
Active Borrowers ('000)



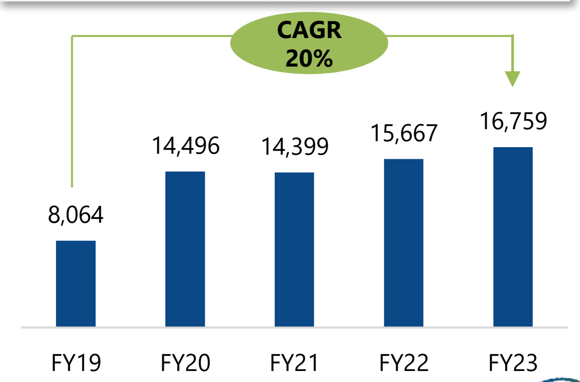
Branch Network



Loan Officers



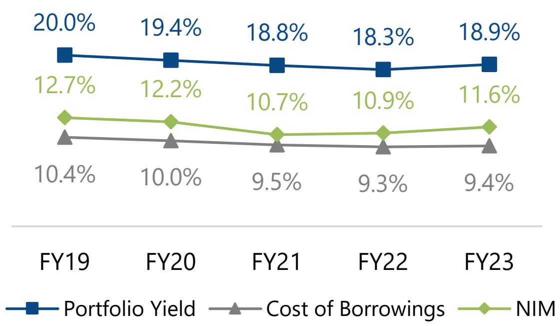
Employees



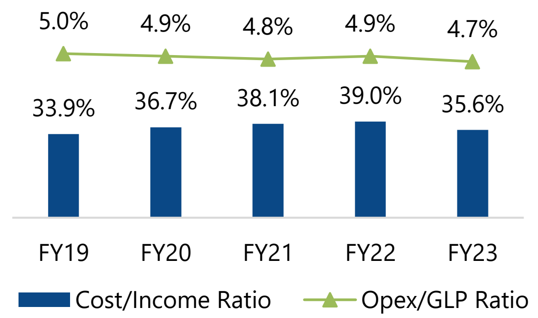
Past Five Years Performance Track Record (2/2)

Note: Refer Annexure for definition of key ratios

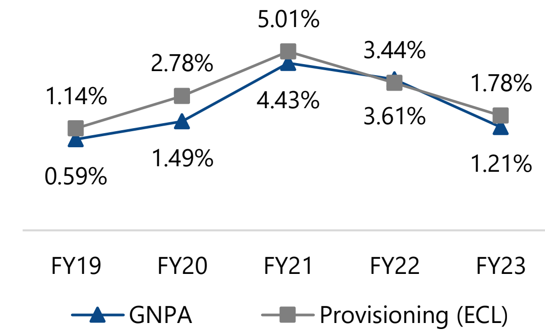
Margin Analysis (%)



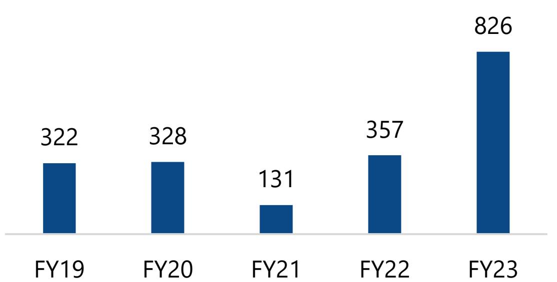
Operating Efficiency (%)



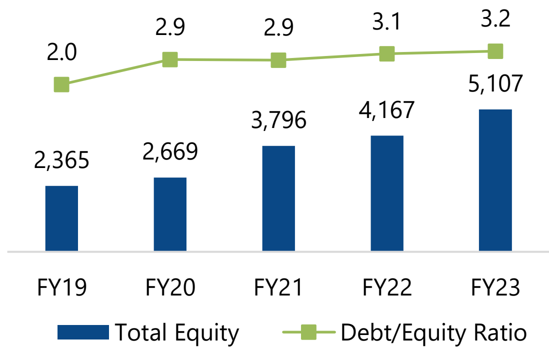
Asset Quality (%)



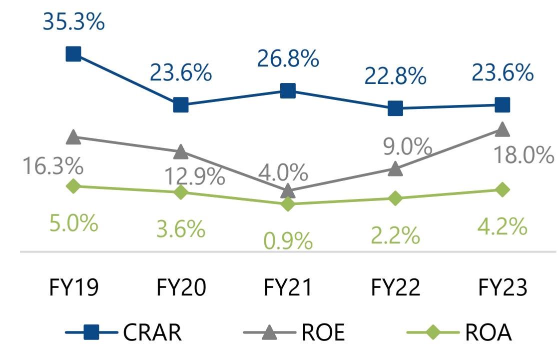
PAT (INR Cr)



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

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:

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

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