

Being **Sustainable** & **Responsible**



CreditAccess Grameen Limited
Q2 & H1 FY25 Investor Presentation
October 2024



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Key Business Updates



Financial Results Overview



Liability Strategy



Cross-cycle Performance Track Record



Investment Rationale

Q2 FY25: Key Business Highlights

	Q2 FY25	YoY%	QoQ%
GLP (INR Cr)	25,133	+11.8%	-4.4%
Borrowers (Lakh)	49.33	+7.2%	-1.0%
Disbursements (INR Cr)	4,404	-19.4%	-10.5%
NII (INR Cr)	932	+20.8%	-2.1%
PPOP (INR Cr)	672	+19.5%	-5.2%
PAT (INR Cr)	186	-46.4%	-53.2%
Interest Spread %	11.4%	+6 bps	+14 bps
NIM %	13.5%	+36 bps	+40 bps
ROA %	2.7%	-295 bps	-278 bps
ROE %	10.7%	-1401 bps	-1284 bps
Collections Efficiency (Excl. Arrears) %			96.3%
GNPA (GL: 60+ dpd, RF: 90+ dpd) %			2.44%
ECL Provisioning %			3.53%
NNPA (GL: 60+ dpd, RF: 90+ dpd) %			0.76%
PAR 90+ %			1.74%
CRAR %		26.1% (Tier 1: 25.2%)	

- **Short-term increase in delinquencies due to –**
 - Localised disruptions in repayments caused by 3rd party interventions
 - Repayment challenges due to tight liquidity & cashflows / income variations faced by customers
 - Transient impact of heavy rainfall in certain geographies
- **Muted microfinance growth and disbursements due to –**
 - Seasonally weaker Q2 caused by rains
 - Additional guardrails introduced by MFIN
 - Focus on controls and recoveries
- **Strong growth in retail finance leveraging the select customer base**
- **Healthy NIMs led by stable interest spread and improved capital position**
- **2,031 active branches (55 new branches added in Q2)**
- **1.46 lakh new customers added in Q2**
- **Adequate liquidity position:**
 - INR 2,036 C&CE at 7.6% of total assets as of Sep-24, further augmented to ~10% in Oct-24
 - Sanctions in hand: INR 3,830 Cr, sanctions in pipeline: INR 6,918 Cr
- **Healthy capital adequacy with CRAR of 26.1%**

Consistent Customer Growth & High Retention

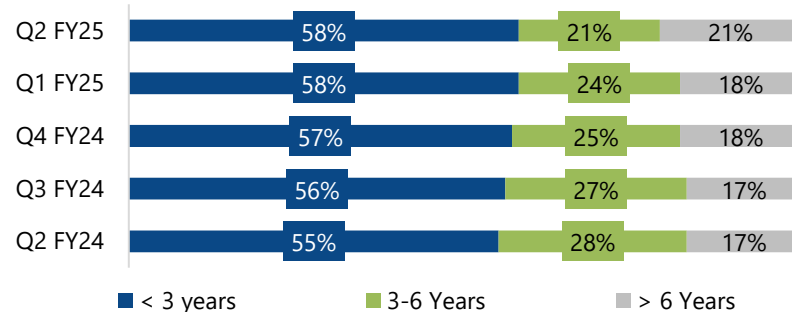
Robust Borrower Additions

Borrowers ('000)



New Borrower Addition over past 12 Months	Total	% Share
Karnataka	1,69,557	16.5%
Maharashtra	1,88,368	18.3%
Tamil Nadu	1,95,719	19.0%
Other States	4,76,768	46.3%
Total	10,30,412	100.0%

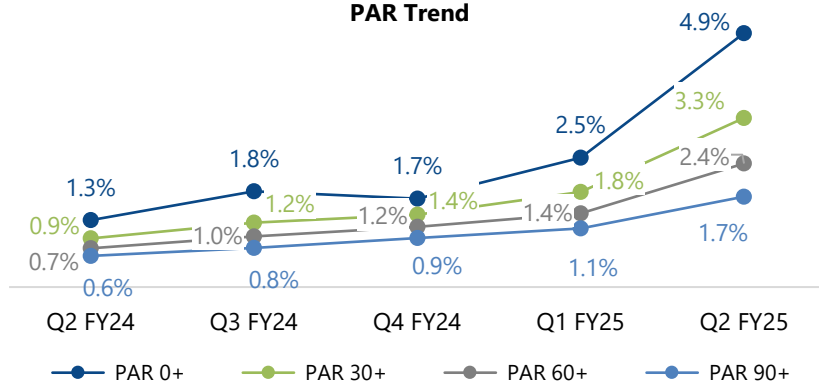
Borrower Vintage



GLP / Borrower Vintage-wise (Group Loans)	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
< 3 Years	40,462	40,423	42,422	40,664	38,599
3-6 Years	53,482	56,205	63,564	62,885	59,692
> 6 Years	66,827	66,675	74,303	73,748	70,435
Total	48,335	49,085	53,321	51,716	49,590

- Loans with Ticket Size \geq INR 75,000 are offered for 3-years, resulting in better repayment serviceability by the customer
- 3-years loans: **35.6% of GLP (Group Loans)**

PAR Trend



Top 5 States	% GLP	PAR 0+	PAR 30+	PAR 60+	PAR 90+
Karnataka	31.4%	2.3%	1.4%	1.0%	0.7%
Maharashtra	20.8%	4.2%	2.8%	2.1%	1.5%
Tamil Nadu	20.0%	6.2%	4.5%	3.4%	2.6%
Madhya Pradesh	6.8%	4.6%	2.9%	2.0%	1.5%
Bihar	5.6%	8.9%	5.1%	3.4%	2.2%
Others	15.4%	8.2%	5.5%	4.0%	2.9%
Total	100%	4.9%	3.3%	2.4%	1.7%

Transitory increase in delinquency trend:

- Localized disruptions in repayments caused by 3rd party interventions
- Repayment challenges faced by customers due to cash flow constraints and income variations (especially agri labour) on account of low rainfall last year followed by severe heat wave during Apr-24 to Jun-24
- Transient impact of heavy rainfall in several regions during Jun-24 to Sep-24
- Tighter underwriting post implementation of MFIN guardrails has resulted in accelerated realisation of delinquencies on account of over-leveraging and multiple loans
- The delinquency flow rates are expected to **stabilize in Q3 and improve in Q4**

Understanding Group Lending PAR: Vintage vs. Lender Overlap Analysis

Portfolio % - Aug-24	Borrower Vintage with CA Grameen				
Lender Overlap	0-2 years	2-4 years	4-6 years	>6 years	Total %
Unique	8.6%	4.4%	5.3%	8.3%	26.6%
CA Grameen + 1	8.0%	4.6%	6.0%	8.6%	27.2%
CA Grameen + 2	7.0%	3.8%	4.4%	5.7%	20.9%
CA Grameen + 3	5.0%	2.4%	2.4%	3.0%	12.7%
CA Grameen + 4 & above	6.0%	2.1%	1.9%	2.6%	12.6%
Total %	34.6%	17.3%	20.0%	28.1%	100.0%

[CA Grameen + 4 & above]:

- 12.6% of GL loan portfolio
- 15.3% of GL borrowers
- PAR 15+ of 12.2%

PAR 15+ on account of [CA Grameen + 4 & above] is 1.5% of the overall loan portfolio

Borrowers % - Aug-24	Borrower Vintage with CA Grameen				
Lender Overlap	0-2 years	2-4 years	4-6 years	>6 years	Total %
Unique	11.9%	4.2%	4.1%	6.1%	26.3%
CA Grameen + 1	10.8%	4.2%	4.4%	5.8%	25.2%
CA Grameen + 2	9.3%	3.6%	3.3%	3.8%	19.9%
CA Grameen + 3	6.9%	2.4%	1.9%	2.1%	13.2%
CA Grameen + 4 & above	9.1%	2.6%	1.7%	2.0%	15.3%
Total %	47.9%	16.9%	15.3%	19.8%	100.0%

PAR 15+ - Sep-24	Borrower Vintage with CA Grameen				
Lender Overlap	0-2 years	2-4 years	4-6 years	>6 years	Total %
Unique	2.7%	1.8%	1.8%	1.2%	1.9%
CA Grameen + 1	3.6%	2.5%	2.5%	1.9%	2.7%
CA Grameen + 2	5.0%	3.9%	3.9%	2.5%	3.9%
CA Grameen + 3	7.7%	6.9%	5.0%	3.6%	6.1%
CA Grameen + 4 & above	15.4%	13.3%	9.9%	5.6%	12.2%
Total %	6.3%	4.5%	3.6%	2.3%	4.3%

Source: CRIF Highmark, The above analysis is based on the credit bureau scrub (latest available for Aug-24) for a 10% sample from the active borrower base

Understanding Group Lending PAR: Leverage vs. Vintage Analysis

Total Borrowers

Borrowers % - Aug-24	Borrower Vintage with CA Grameen				
Total MFI Indebtedness (INR)	0-2 Years	2-4 years	4-6 years	>6 years	Total %
<= 50,000	12.8%	3.2%	2.3%	3.1%	21.5%
50,000 to <= 1,00,000	14.1%	4.9%	4.3%	5.3%	28.5%
1,00,000 to <=1,50,000	11.3%	4.6%	4.4%	5.4%	25.7%
1,50,000 to <= 2,00,000	6.1%	2.7%	2.7%	3.5%	14.9%
>= 2,00,000	3.7%	1.6%	1.7%	2.5%	9.4%
Total %	47.9%	16.9%	15.3%	19.8%	100.0%

PAR 15+ - Sep-24	Borrower Vintage with CA Grameen				
Total MFI Indebtedness (INR)	0-2 Years	2-4 years	4-6 years	>6 years	Total %
<= 50,000	3.1%	2.9%	2.1%	1.4%	2.7%
50,000 to <= 1,00,000	4.8%	3.5%	3.2%	2.3%	3.7%
1,00,000 to <=1,50,000	6.9%	4.2%	3.4%	2.3%	4.3%
1,50,000 to <= 2,00,000	9.0%	5.3%	4.0%	2.5%	5.1%
>= 2,00,000	12.5%	7.8%	4.8%	2.8%	6.3%
Total %	6.3%	4.5%	3.6%	2.3%	4.3%

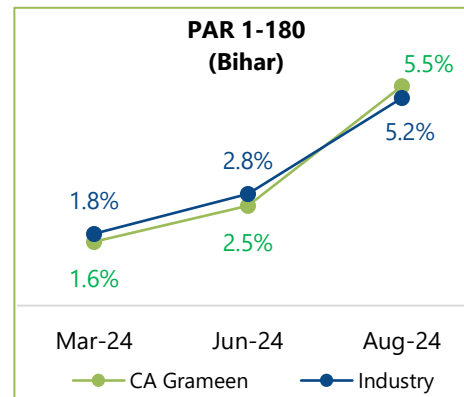
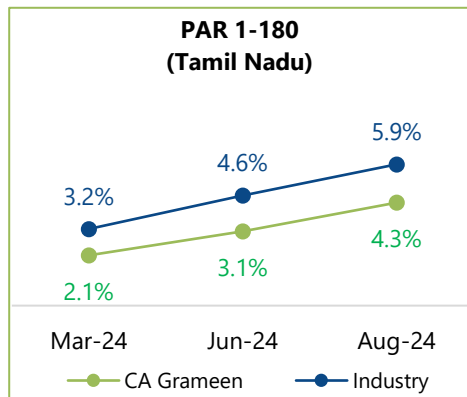
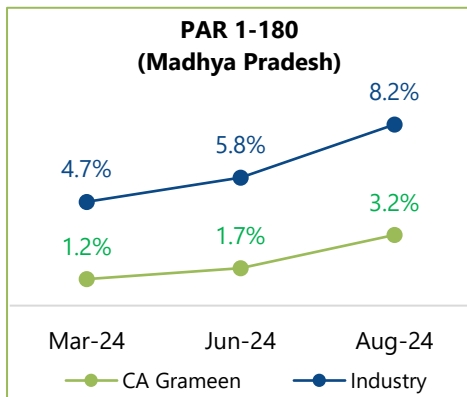
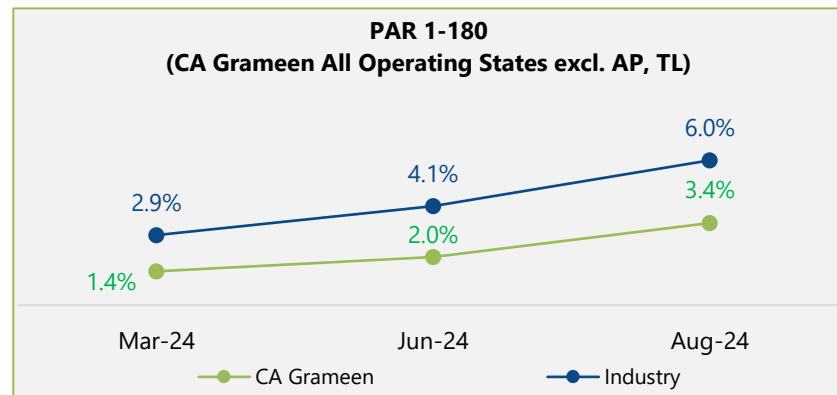
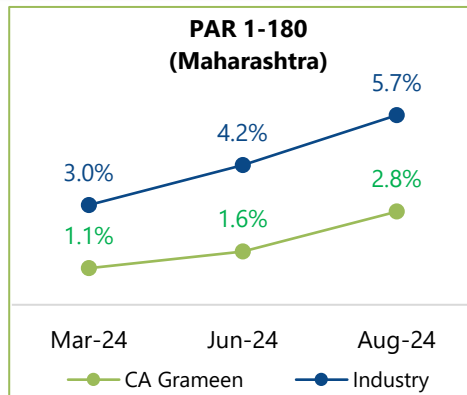
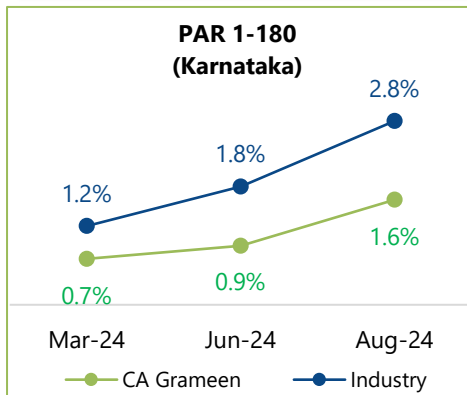
[CA Grameen + 4 & above] Borrowers

[CA Grameen + 4 & above] Borrowers % - Aug-24	Borrower Vintage with CA Grameen				
Total MFI Indebtedness (INR)	0-2 years	2-4 years	4-6 years	>6 years	Total %
<= 50,000	0.022%	0.008%	0.003%	0.002%	0.035%
50,000 to <= 1,00,000	0.5%	0.2%	0.1%	0.1%	0.8%
1,00,000 to <=1,50,000	2.3%	0.6%	0.3%	0.3%	3.5%
1,50,000 to <= 2,00,000	3.1%	0.8%	0.5%	0.5%	5.0%
>= 2,00,000	3.1%	1.0%	0.8%	1.2%	6.1%
Total %	9.1%	2.6%	1.7%	2.0%	15.3%

[CA Grameen + 4 & above] PAR 15+ - Sep-24	Borrower Vintage with CA Grameen				
Total MFI Indebtedness (INR)	0-2 years	2-4 years	4-6 years	>6 years	Total %
<= 50,000	14.7%	9.2%	2.8%	2.2%	9.9%
50,000 to <= 1,00,000	15.8%	19.1%	17.9%	6.9%	15.6%
1,00,000 to <=1,50,000	17.3%	16.4%	13.8%	10.7%	16.1%
1,50,000 to <= 2,00,000	14.9%	13.6%	12.1%	6.8%	13.3%
>= 2,00,000	14.9%	12.2%	8.3%	4.8%	10.5%
Total %	15.4%	13.3%	9.9%	5.6%	12.2%

Source: CRIF Highmark, The above analysis is based on the credit bureau scrub (latest available for Aug-24) for a 10% sample from the active borrower base

CA Grameen's PAR 1-180 is relatively better vs. industry, especially in the top 5 markets (accounting 85% of the overall loan portfolio)



Better controls through –

- i) Tighter underwriting
- ii) Additional PAR control measures (senior field staff & quality control teams)
- iii) Weekly customer engagement

Source: CRIF Highmark

Q2 FY25 (INR Cr)		Consolidated		
Asset Classification (dpd)		EAD	EAD%	ECL%
Stage 1	0 – 15 (GL), 0 – 30 (RF)	23,627.5	96.1%	1.01%
Stage 2	16 – 60 (GL), 31 – 90 (RF)	371.0	1.5%	57.58%
Stage 3	60+ (GL), 90+ (RF)	600.2	2.4%	69.47%
Total		24,598.7	100.0%	3.53%

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

Building Buffers Through Conservative Provisioning Policy

- The Company's conservative ECL provisioning policy is well aligned with the prevalent delinquency trend resulting in ensuring adequate provisioning buffer
- **The increase in ECL% across stage I, II, and III assets has resulted in additional INR 29.8 Cr provisions during Q2 FY25**
- **The Company continues to hold ~179 bps (INR 431.1 Cr) higher provisioning over PAR 90+, ~256 bps (INR 629.2 Cr) higher compared to IRAC prudential norms, and INR 102 Cr higher provisions compared to the NBFC industry**
- The Company has implemented the district-based loan pricing in Q2 FY25, leveraging the business rule engine
- This would help in aligning the loan pricing with the loan provisioning rates, thus protecting the overall profitability

Credit Cost (INR Cr)	Q2 FY25	H1 FY25
Opening ECL - (A)	583.6	503.4
Additions (B)		
- Provisions as per ECL	378.2	524.7
Reversals (on account of write-off) (C)	93.1	159.4
Closing ECL (D = A+B-C)	868.7	868.7
Write-off (E)	135.0	229.4
Credit Cost (F = B-C+E)	420.1	594.7
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non-annualised)	1.69%	2.36%
Bad-Debt Recovery (G)	7.3	15.4
Net P&L Impact (F – G)	412.8	579.3
Net P&L Impact – % of Avg. On-Book Loan Portfolio (non-annualised)	1.66%	2.30%

Key Metrics	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
Avg. New Disbursement Interest Rate %	22.0%	21.8%	21.4%	21.3%	21.3%
Portfolio Yield %	21.1%	21.0%	21.0%	21.0%	21.1%
Weighted Avg. Cost of Borrowing %	9.8%	9.8%	9.8%	9.8%	9.8%
Marginal Cost of Borrowing %	9.6%	9.7%	9.3%	9.4%	9.4%
Interest Spread %	11.3%	11.2%	11.2%	11.2%	11.4%
NIM %	13.1%	13.1%	13.1%	13.0%	13.5%

Note: The increase in NIM is due to the low base effect and a high CRAR of 26.1%

Performance Vs. Annual Guidance

Key Indicators	FY25 Guidance	Q2 FY25 Performance	H1 FY25 Performance	FY25 Revised Guidance
GLP Growth %	23.0% - 24.0%	11.8%	11.8%	8.0% - 12.0%
NIM %	12.8% - 12.9%	13.5%	13.3%	12.8% - 13.0%
Cost-to-Income Ratio %	30.0% - 31.0%	30.6%	29.9%	30.0% - 32.0%
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio	2.2% - 2.4%	1.69% (non-annualized)	2.36% (non-annualized)	4.5% - 5.0%
Return on Assets %	5.4% - 5.5%	2.7%	4.1%	3.0% - 3.5%
Return on Equity %	23.0% - 23.5%	10.7%	17.1%	12.0% - 14.0%

Note: The above revised guidance is based on our estimate of the stabilization of delinquencies in Q3 followed by improvement in Q4



Key Business Updates



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Liability Strategy



Cross-cycle Performance Track Record



Investment Rationale

Q2 FY25: Key Performance Highlights

GLP
INR 25,133 Cr
(+11.8% YoY)

Disbursements
INR 4,404 Cr
(-10.5% YoY)

NIM
13.5%
Wgtd. Avg. COB
9.8%

Cost/Income Ratio
30.7%
Opex/GLP Ratio
4.6%

PPOP
INR 672 Cr
(+19.5% YoY)

PAT
INR 186 Cr
(-46.4% YoY)

ROA
2.7%

CRAR Total
26.1%

Total Equity
INR 6,988 Cr

GNPA*: 2.44%

ROE
10.7%

CRAR Tier 1
25.2%

D/E Ratio
2.7

NNPA*: 0.76%

PAR 90+: 1.74%

Collection Efficiency
(Excl. Arrears)
96.3%

Provisioning:
3.53%

Branches
2,031
(+8.2% YoY)

Employees
19,562
(+1.7% YoY)

Active Borrowers
49.33 Lakh
(+7.2% YoY)

Write-off
INR 135 Cr

55 New Branches
Opened

* GNPA & NNPA recognition policy (GL: 60+ dpd, RF: 90+ dpd)

H1 FY25: Key Performance Highlights

GLP
INR 25,133 Cr
(+11.8% YoY)

Disbursements
INR 8,479 Cr
(-12.9% YoY)

NIM
13.3%
Wgtd. Avg. COB
9.8%

Cost/Income Ratio
29.9%
Opex/GLP Ratio
4.5%

PPOP
INR 1,381 Cr
(+24.9% YoY)

PAT
INR 584 Cr
(-16.1% YoY)

ROA
4.1%

CRAR Total
26.1%

Total Equity
INR 6,988 Cr

GNPA*: 2.44%

ROE
17.1%

CRAR Tier 1
25.2%

D/E Ratio
2.7

NNPA*: 0.76%

PAR 90+: 1.74%

Collection Efficiency
(Excl. Arrears)
97.1%

Provisioning:
3.53%

Branches
2,031
(+8.2% YoY)

Employees
19,562
(+1.7% YoY)

Active Borrowers
49.33 Lakh
(+7.2% YoY)

Write-off
INR 229 Cr

64 New Branches
Opened

* GNPA & NNPA recognition policy (GL: 60+ dpd, RF: 90+ dpd)

Q2 & H1 FY25: P&L Statement

Profit & Loss Statement (INR Cr)	Q2 FY25	Q2 FY24	YoY%	Q1 FY25	QoQ%	H1 FY25	H1 FY24	YoY%	FY24
Interest Income	1,417.7	1,1187.4	19.4%	1,437.2	-1.4%	2,854.9	2,292.6	24.5%	4,900.1
- Interest on Loans ¹	1,396.0	1,165.9	19.7%	1,411.5	-1.1%	2,807.6	2,252.1	24.7%	4,812.5
- Interest on Deposits with Banks and FIs	21.7	21.5	1.0%	25.6	-15.1%	47.3	40.5	16.8%	87.6
Income from Direct Assignment	-0.7	8.5	-108.2%	25.7	-102.7%	25.0	51.5	-51.5%	91.9
Finance Cost on Borrowings	484.6	423.9	14.3%	510.3	-5.0%	994.9	808.8	23.0%	1,732.4
Net Interest Income	932.4	772.0	20.8%	952.5	-2.1%	1,885.0	1,535.3	22.8%	3,259.6
Non-interest Income & Other Income ²	36.9	51.7	-28.6%	49.7	-25.8%	86.6	74.3	16.7%	180.6
Total Net Income	969.3	823.7	17.7%	1,002.3	-3.3%	1,971.6	1,609.5	22.5%	3,440.2
Employee Expenses	188.8	161.8	16.7%	187.8	0.6%	376.6	318.1	18.4%	669.4
Other Expenses	91.2	87.1	4.7%	90.8	0.4%	182.0	160.7	13.2%	328.7
Depreciation, Amortisation & Impairment	17.2	12.3	40.0%	14.3	19.8%	31.5	24.3	29.6%	51.2
Pre-Provision Operating Profit	672.1	562.6	19.5%	709.3	-5.2%	1,381.5	1,106.4	24.9%	2,391.0
Impairment of Financial Instruments	420.1	95.9	338.3%	174.6	140.6%	594.7	172.3	245.3%	451.8
Profit Before Tax	252.0	466.8	-46.0%	534.7	-52.9%	786.7	934.2	-15.8%	1,939.2
Total Tax Expense	65.9	119.7	-44.9%	137.1	-51.9%	203.0	238.6	-14.9%	493.2
Profit After Tax	186.1	347.0	-46.4%	397.7	-53.2%	583.7	695.5	-16.1%	1,445.9
Key Ratios	Q2 FY25	Q2 FY24		Q1 FY25		H1 FY25	H1 FY24		FY24
Portfolio Yield	21.1%	21.1%		21.0%		21.1%	20.9%		20.9%
Cost of Borrowings	9.8%	9.8%		9.8%		9.8%	9.7%		9.8%
Interest Spread	11.4%	11.3%		11.2%		11.3%	11.2%		11.0%
NIM	13.5%	13.1%		13.0%		13.3%	13.1%		13.0%
Cost/Income Ratio	30.6%	31.7%		29.2%		29.9%	31.3%		30.5%
Opex/GLP Ratio	4.6%	4.7%		4.4%		4.5%	4.6%		4.5%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 34.1 Cr in Q2 FY25 (vs. Q1 FY25: INR 20.1 Cr, Q2 FY24: INR 12.7 Cr) and INR 54.2 Cr in H1 FY25 (vs. H1 FY24: INR 27.5 Cr)

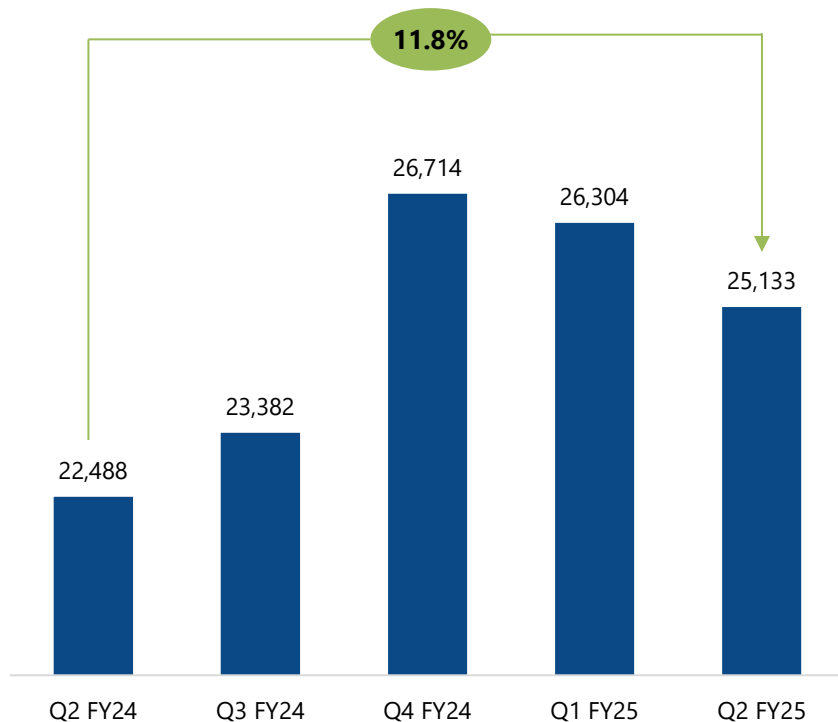
2) Bad debt recovery was INR 7.3 Cr in Q2 FY25 (vs. Q1 FY25: 8.1 Cr, Q2 FY24: INR 11.7 Cr) and INR 15.4 Cr in H1 FY25 (vs. H1 FY24: INR 23.8 Cr)

Q2 & H1 FY25: Balance Sheet

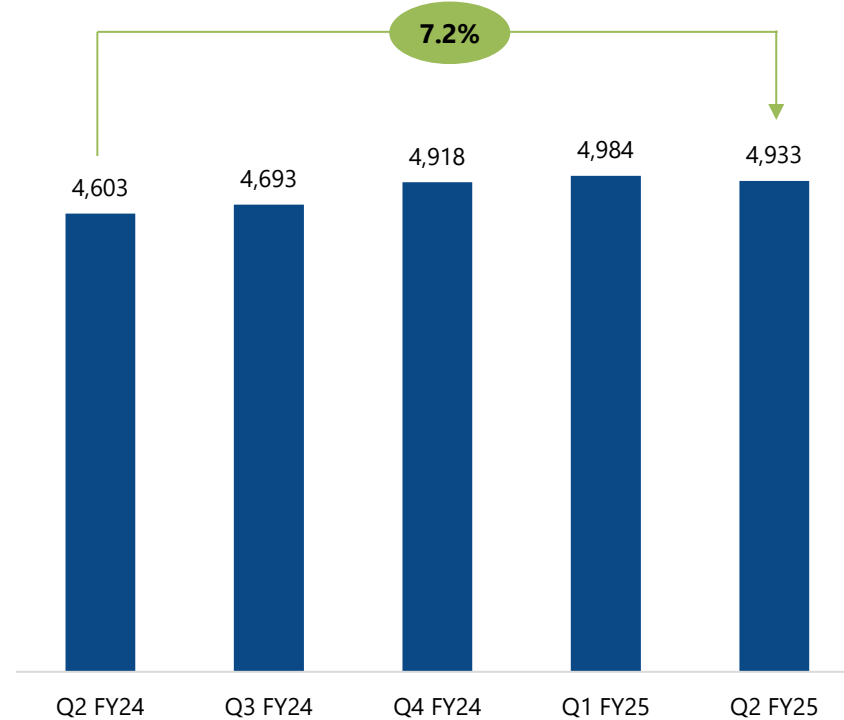
Balance Sheet (INR Cr)	Q2 FY25	Q2 FY24	YoY%	Q1 FY25	QoQ%	H1 FY25	H1 FY24	FY24
Cash & Other Bank Balances	733.2	1,408.3	-47.9%	887.7	-17.7%	733.2	1,408.3	1,313.9
Investments	1,302.5	740.5	75.9%	1,206.9	7.9%	1,302.5	740.5	1,438.9
Loans - (Net of Impairment Loss Allowance)	23,530.3	20,880.1	13.1%	24,646.9	-4.5%	23,530.3	20,880.1	25,105.0
Property, Plant and Equipment	45.5	30.3	50.1%	40.4	12.5%	45.5	30.3	32.1
Intangible Assets	109.3	120.9	-9.5%	112.9	-8.7%	103.1	120.9	116.6
Right to Use Assets	97.4	71.7	35.8%	101.2	-3.7%	97.4	71.7	89.3
Other Financial & Non-Financial Assets	418.7	326.3	28.3%	352.2	20.2%	424.9	326.3	374.7
Goodwill	375.7	375.7	0.0%	375.7	0.0%	375.7	375.7	375.7
Total Assets	26,612.6	23,953.8	11.1%	27,723.9	-4.0%	26,612.6	23,953.8	28,846.2
Debt Securities	1,928.9	2,227.7	-13.4%	1,914.6	0.7%	1,928.9	2,227.7	2,042.1
Borrowings (other than debt securities)	17,199.5	15,359.4	12.4%	18,326.8	-6.2%	17,199.5	15,359.4	19,773.7
Subordinated Liabilities	25.3	81.5	-69.0%	25.2	0.1%	25.3	81.5	25.2
Lease Liabilities	116.6	86.9	34.2%	119.4	-2.4%	116.6	86.9	106.3
Other Financial & Non-financial Liabilities	353.9	400.6	-11.6%	376.7	-6.7%	353.9	400.6	328.9
Total Equity	6,988.4	5,797.7	20.5%	6,961.1	0.4%	6,988.4	5,797.7	6,570.0
Total Liabilities and Equity	26,612.6	23,953.8	11.1%	27,723.9	-4.0%	26,612.6	23,953.8	28,846.2
Key Ratios	Q2 FY25	Q2 FY24		Q1 FY25		H1 FY25	H1 FY24	FY24
ROA	2.7%	5.6%		5.4%		4.1%	5.7%	5.6%
D/E	2.7	3.0		2.9		2.7	3.0	3.3
ROE	10.7%	24.7%		23.5%		17.1%	25.5%	24.9%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	2.44%	0.77%		1.46%		2.44%	0.77%	1.18%
Provisioning	3.53%	1.60%		2.29%		3.53%	1.60%	1.95%

Continued Business Traction with Rural Focus

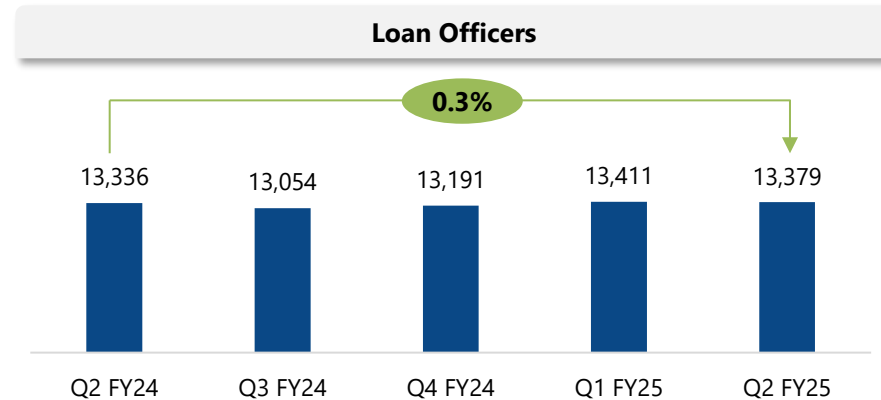
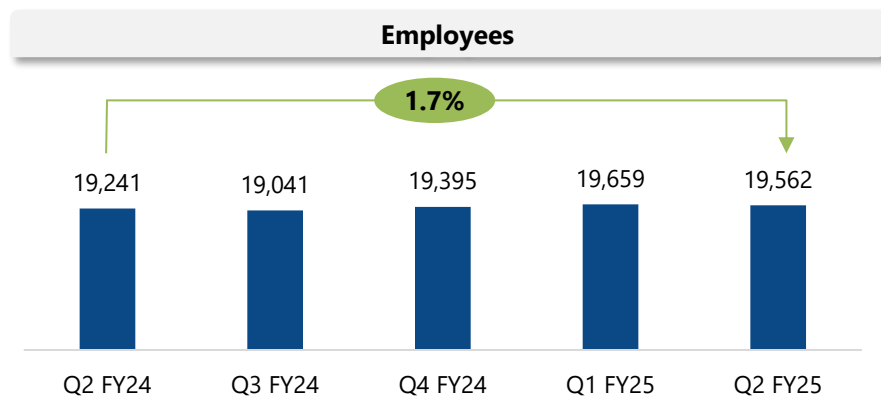
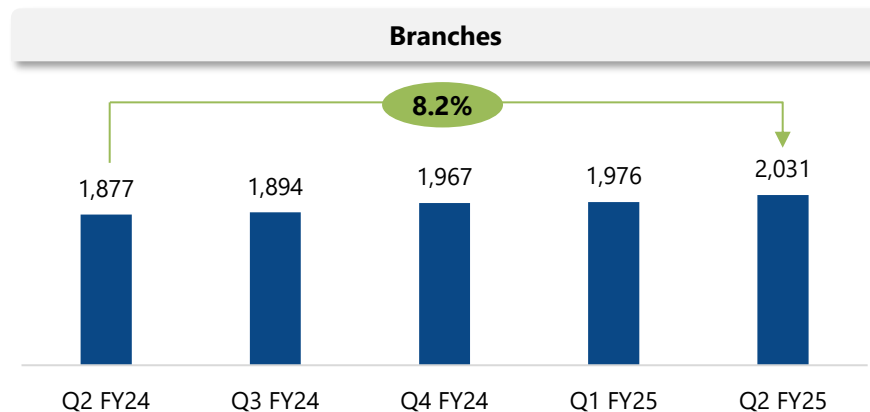
Gross Loan Portfolio (INR Cr)



Borrowers ('000)

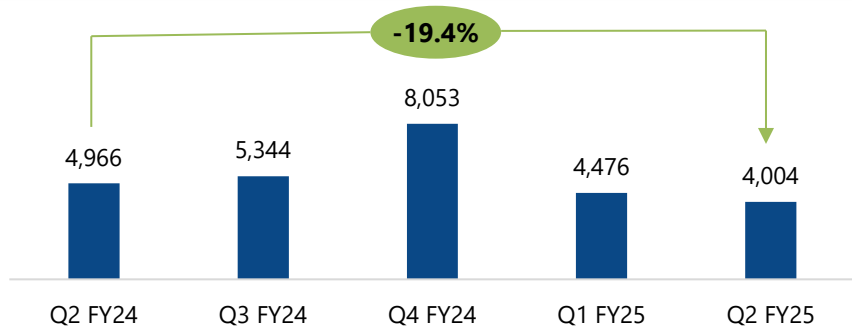


Consistent Growth in Infrastructure

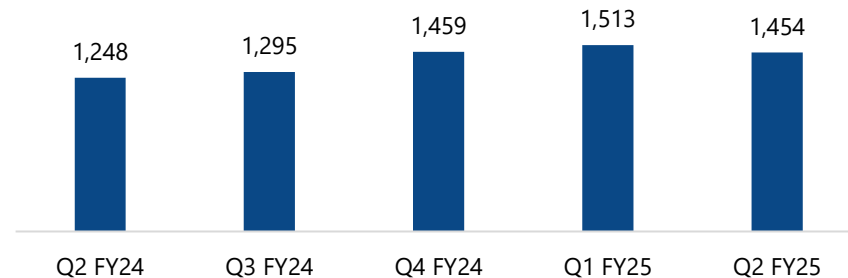


Robust Quarterly Performance Trend (1/2)

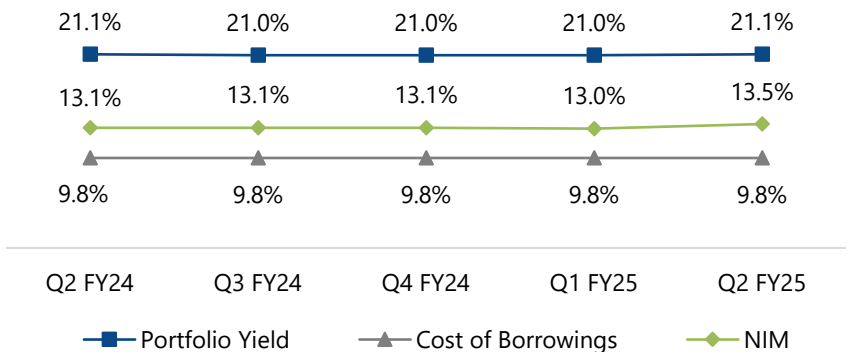
Disbursements (INR Cr)



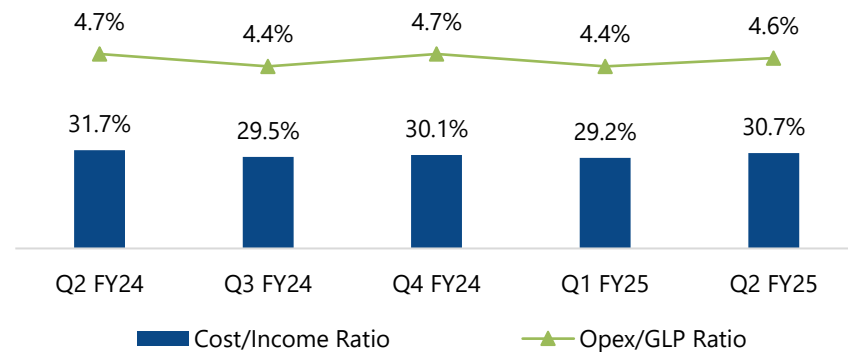
Total Income (INR Cr)



Margin Analysis (%)

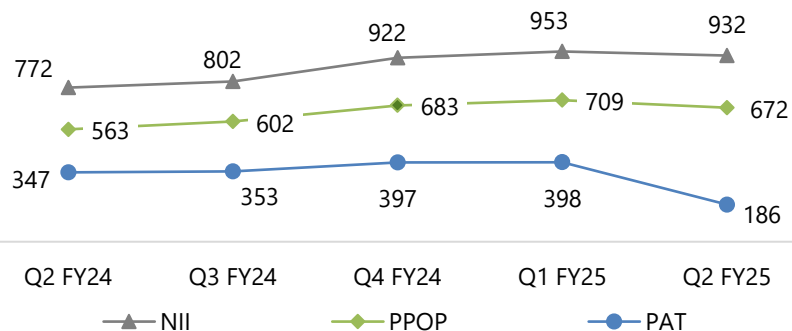


Operating Efficiency (%)

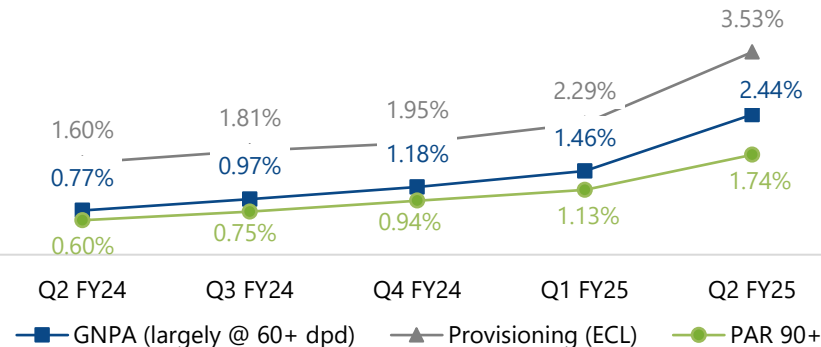


Robust Quarterly Performance Trend (2/2)

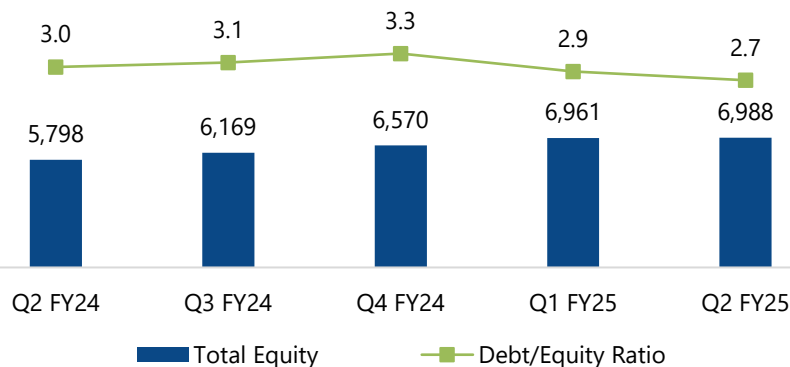
NII, PPOP, PAT (INR Cr)



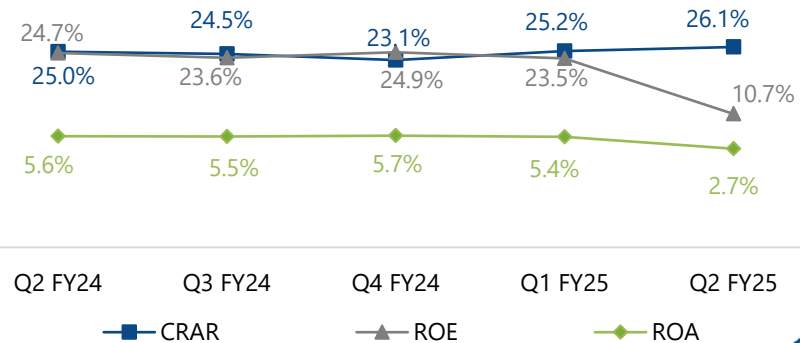
Asset Quality (%)



Total Equity (INR Cr) & Debt/Equity Ratio

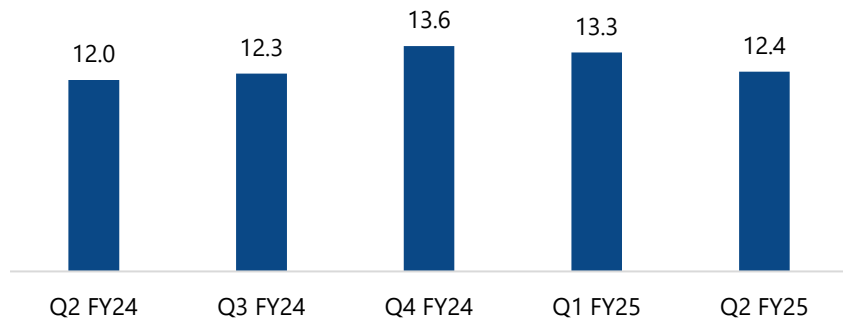


Return Ratios & Capital Adequacy (%)

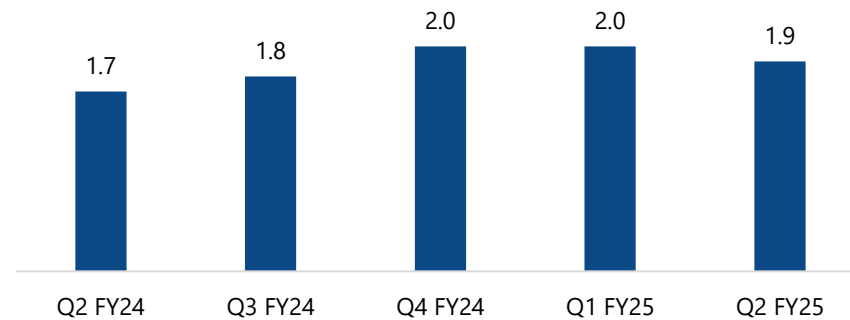


Stable Operational Efficiency

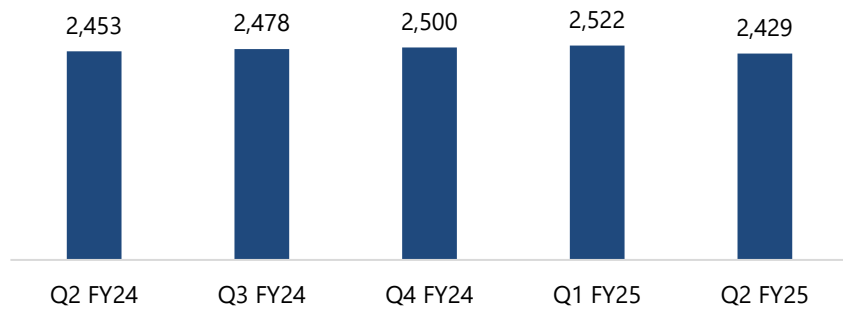
GLP / Branch (INR Cr)



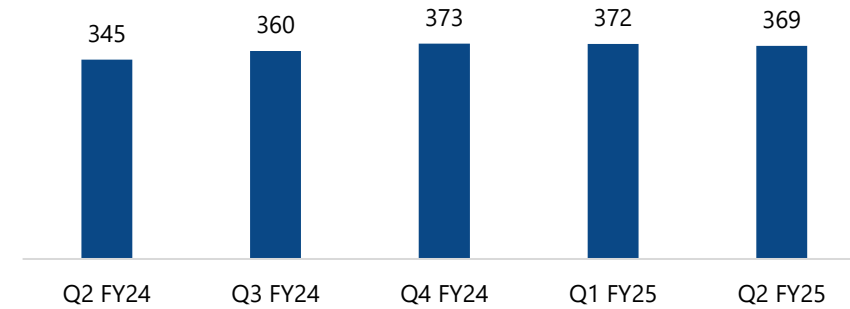
GLP / Loan Officer (INR Cr)



Borrowers / Branch



Borrowers / Loan Officer



Product Range To Meet Diverse Customer Needs

GLP - Product Mix	Q2 FY24		Q3 FY24		Q4 FY24		Q1 FY25		Q2 FY25	
	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total
IGL	21,103	94%	21,800	93%	24,741	93%	24,076	92%	22,731	90%
Family Welfare	150	1%	102	1%	82	0%	221	1%	211	1%
Home Improvement	877	4%	986	4%	1,178	4%	1,241	5%	1,247	5%
Emergency	9	0%	3	0%	5	0%	4	0%	0	0%
Retail Finance	349	1.6%	492	2%	708	3%	762	3%	944	4%
Total	22,488	100%	23,382	100%	26,714	100%	26,304	100%	25,133	100%

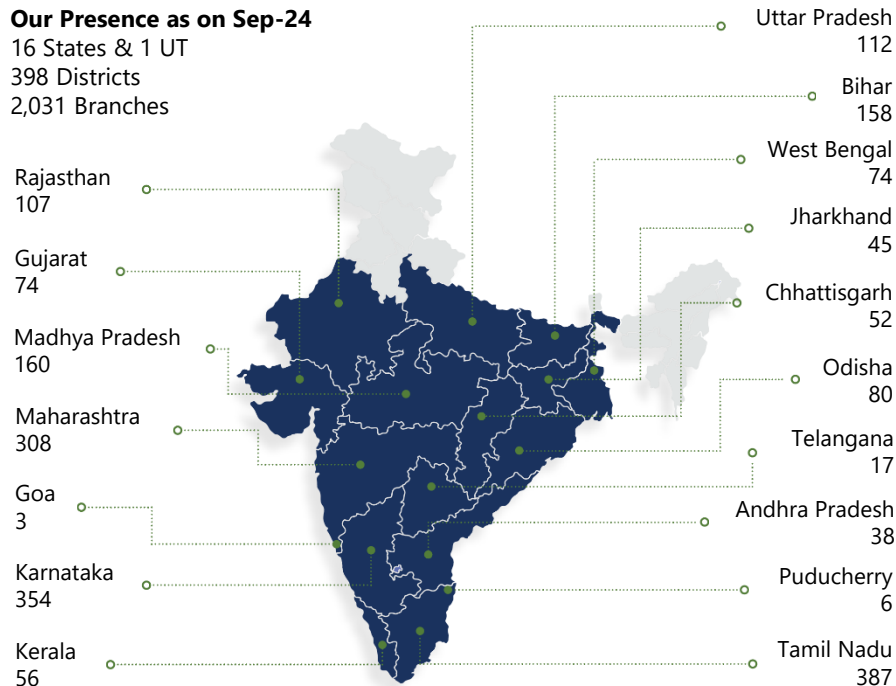
GLP – Avg. O/S Per Loan (INR '000)	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
IGL	32.7	33.4	36.0	34.3	33.2
Family Welfare	9.9	6.6	5.0	11.3	10.5
Home Improvement	11.1	11.3	12.0	11.6	11.1
Emergency	0.6	0.5	0.6	0.7	0.7
Retail Finance	149.3	162.5	168.9	164.8	164.2
Total	29.7	30.6	32.8	31.4	30.5

GLP – Avg. O/S Per Borrower (INR '000)	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
Group Lending	48.3	49.1	53.3	51.7	49.6
Retail Finance	151.4	164.6	173.5	170.2	170.5
Total	48.9	49.8	54.3	52.8	50.9

Our Network & Presence

Our Presence as on Sep-24

16 States & 1 UT
398 Districts
2,031 Branches



Exposure of Districts – Q2 FY25		
(% of GLP)	Districts	% of Total Districts
< 0.5%	334	83.9%
0.5% - 1%	42	10.6%
1% - 2%	19	4.8%
2% - 3%	3	0.8%
> 3%	0	0%
Total	398	100.0%

Q2 FY25 – Top Districts	
Top Districts	% of GLP
Top 1	2.7%
Top 3	7.5%
Top 5	11.0%
Top 10	18.3%
Other	81.7%

Branch Network	Q2 FY25	% Share	Q2 FY24	% Share
Karnataka	354	17.4%	334	17.8%
Maharashtra	308	15.2%	310	16.5%
Tamil Nadu	387	19.1%	384	20.5%
Madhya Pradesh	160	7.9%	149	7.9%
Bihar	158	7.8%	148	7.9%
Other States & UT	664	32.7%	552	29.4%
Total	2,031	100.0%	1,877	100.0%

Borrowers ('000)	Q2 FY25	% Share	Q2 FY24	% Share
Karnataka	1,223	24.8%	1,184	25.7%
Maharashtra	971	19.7%	897	19.5%
Tamil Nadu	979	19.8%	959	20.8%
Madhya Pradesh	372	7.5%	340	7.4%
Bihar	339	6.9%	288	6.2%
Other States & UT	1,049	21.3%	935	20.3%
Total	4,933	100.0%	4,603	100.0%

GLP (INR Cr)	Q2 FY25	% Share	Q2 FY24	% Share
Karnataka	7,883	31.4%	7,404	32.9%
Maharashtra	5,236	20.8%	4,632	20.6%
Tamil Nadu	5,031	20.0%	4,487	20.0%
Madhya Pradesh	1,719	6.8%	1,412	6.3%
Bihar	1,402	5.6%	1,117	5.0%
Other States & UT	3,863	15.4%	3,436	15.2%
Total	25,133	100.0%	22,488	100.0%



Key Business Updates



Financial Results Overview



Liability Strategy

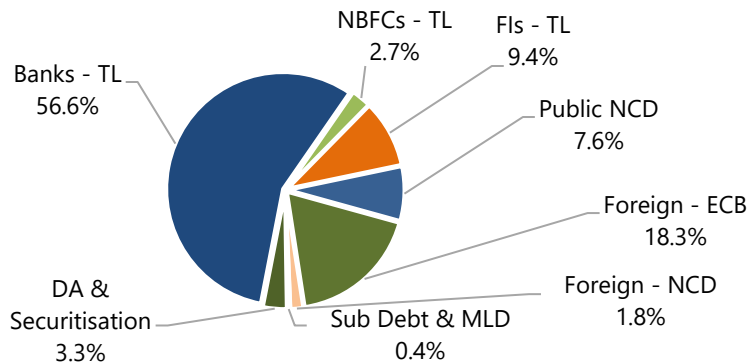


Cross-cycle Performance Track Record



Investment Rationale

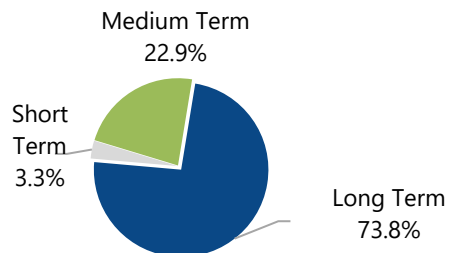
Diversified Liability Mix - Institution / Instrument Wise (%)



Note: O/S Direct Assignment (Sold Portion) - INR 647.5 Cr

Share of Bank Borrowings at 56.6% & Foreign Borrowings at 20.0%

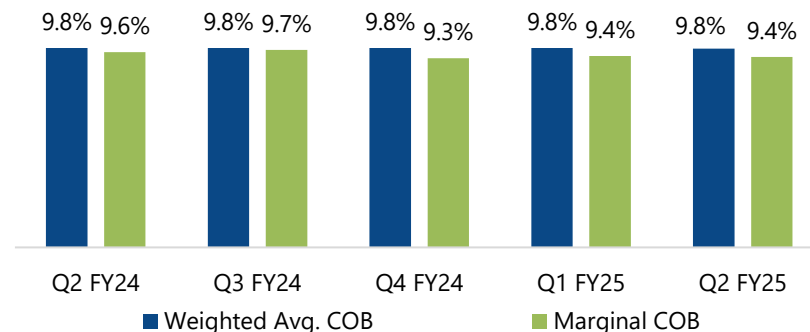
Liability Mix - Tenure Wise (%)



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:
 - 44 Commercial Banks, 3 Financial Institutions, 15 Foreign Lenders, 6 NBFCs
- Continued focus to minimize the cost of borrowing

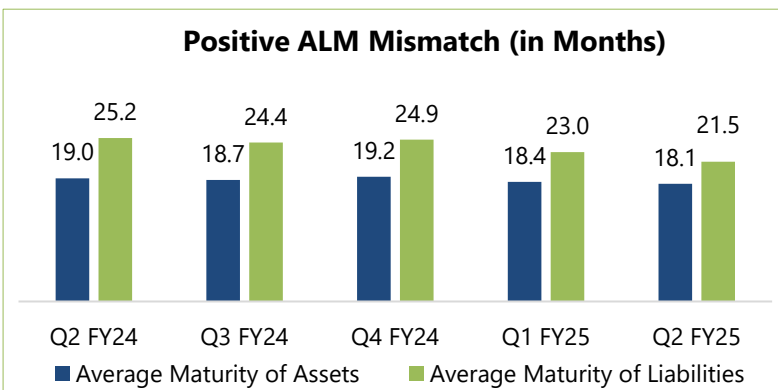
Cost of Borrowing (%)



Stable Liquidity/ ALM Position/ Credit Ratings / ESG Ratings

Static Liquidity / ALM Position Particulars (INR Cr)	For the Month			For the Financial Year FY25	
	Oct-24	Nov-24	Dec-24	(Oct-24 – Mar-25)	FY26
Opening Cash & Equivalents (A)	1,927.4	2,611.7	2,864.8	3,459.7	6,693.7
Loan recovery [Principal] (B)	1,674.5	1,519.1	1,557.4	9,024.5	11,968.6
Total Inflow (C=A+B)	3,601.9	4,130.8	4,422.2	12,484.3	18,662.2
Borrowing Repayment [Principal]					
Term loans and Others (D)	875.5	896.6	827.5	4,942.4	7,184.8
NCDs (E)	0.0	263.9	60.0	379.1	628.1
Direct Assignment (F)	114.8	105.6	74.9	469.1	297.8
Total Outflow G=(D+E+F)	990.2	1,266.1	962.4	5,790.6	8,110.7
Closing Cash & equivalents (H= C-G)	2,611.7	2,864.8	3,459.7	6,693.7	10,551.5
Static Liquidity (B-G)	684.3	253.1	595.0	3,233.9	3,857.9

Debt Diversification	Q2 FY25
Total Drawdowns	1,530
Domestic	100%
Foreign	0%
Undrawn Sanction	3,830
Domestic	100%
Foreign	0%
Sanctions in Pipeline	6,918
Domestic	82%
Foreign	18%



Rating Instrument	Rating Agency	Rating/Grading
Bank Facilities	Ind-Ra, ICRA, CRISIL	AA- (Stable)
Non-Convertible Debentures	Ind-Ra, ICRA, CRISIL	AA- (Stable)
Commercial Paper	ICRA	A1+
Microfinance Grading *	CRISIL	M1C1
ESG Rating	Sustainalytics	Score: 19.7, Rating: "Low Risk"
ESG Rating	S&P Global	50 / 100
ESG Rating	CDP	"C" - Awareness Band
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



Liability Strategy



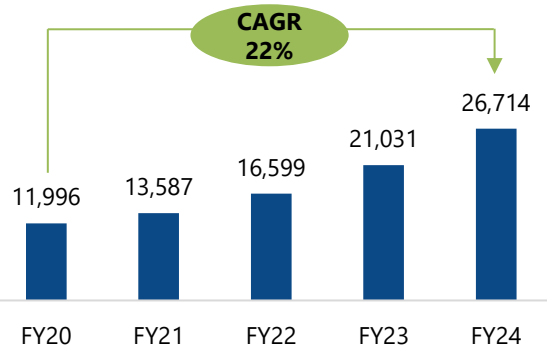
Cross-cycle Performance Track Record



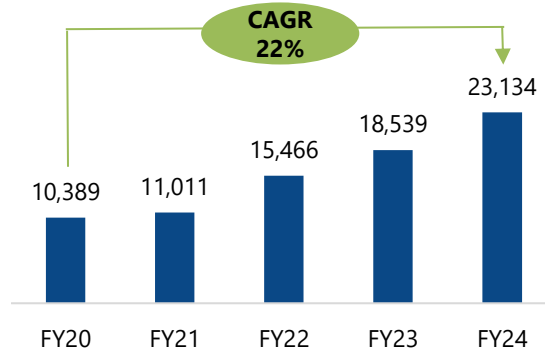
Investment Rationale

Past Five Years Performance Track Record (1/2)

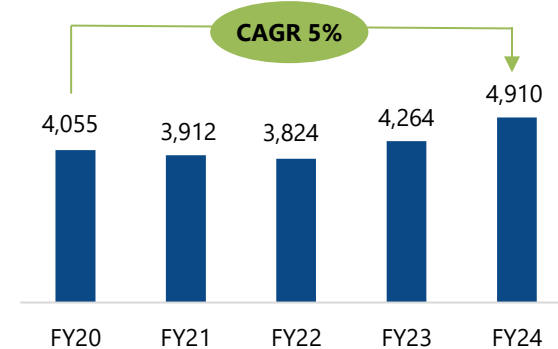
Gross Loan Portfolio (GLP) (INR Cr)



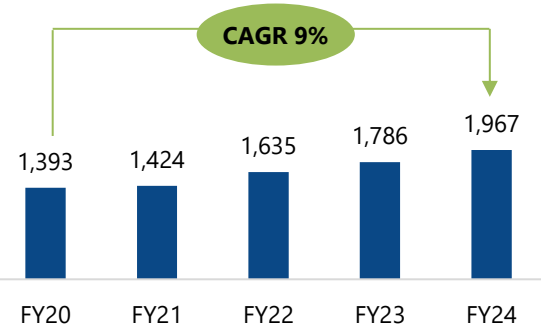
Disbursements (INR Cr)



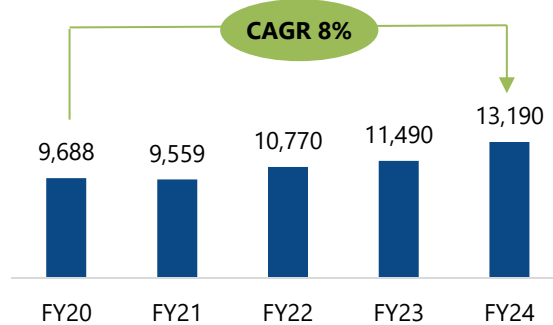
Borrowers ('000)



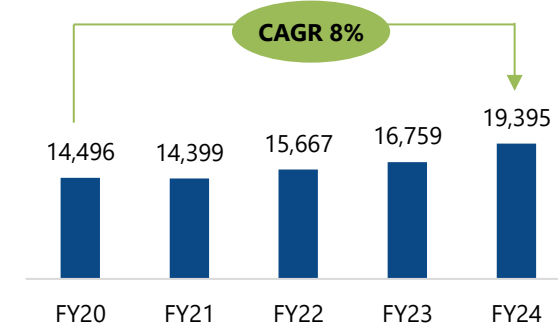
Branch Network



Loan Officers



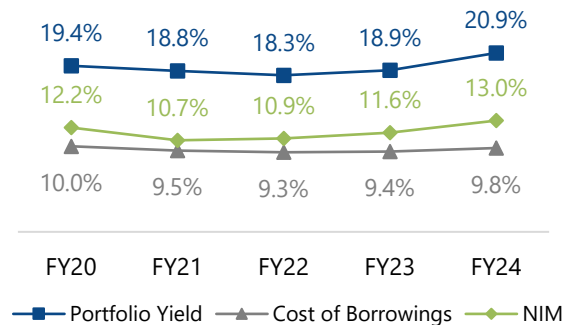
Employees



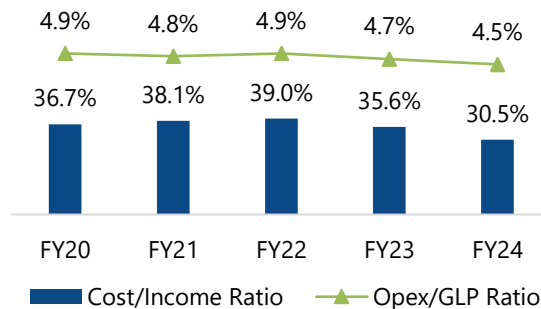
Past Five Years Performance Track Record (2/2)

Note: Refer Annexure for definition of key ratios

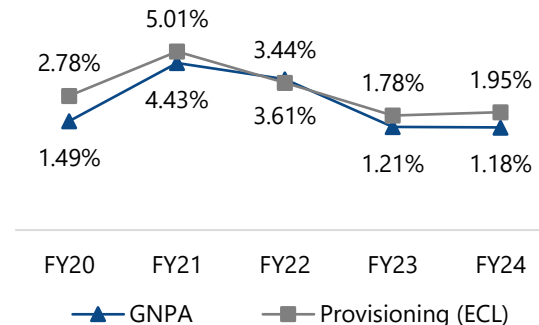
Margin Analysis (%)



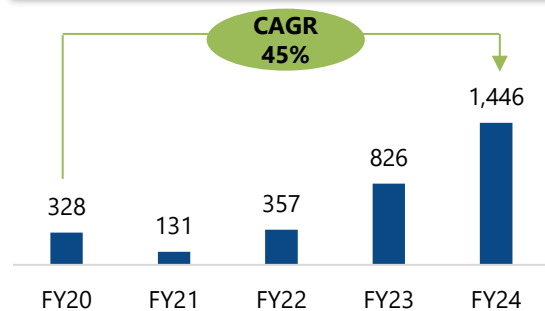
Operating Efficiency (%)



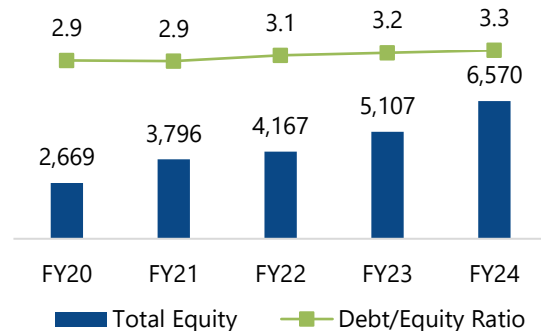
Asset Quality (%)



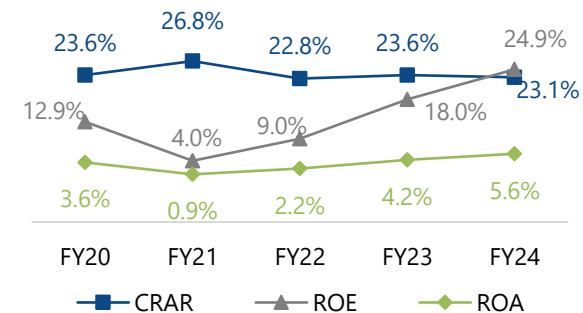
PAT (INR Cr)



Total Equity (INR Cr) & Debt/Equity Ratio



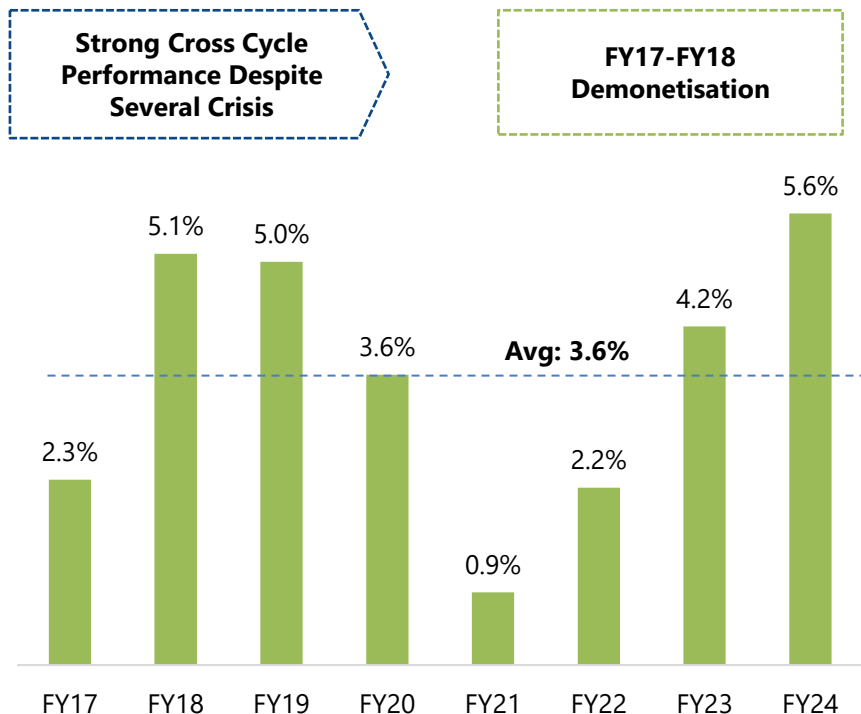
Return Ratios & Capital Adequacy (%)



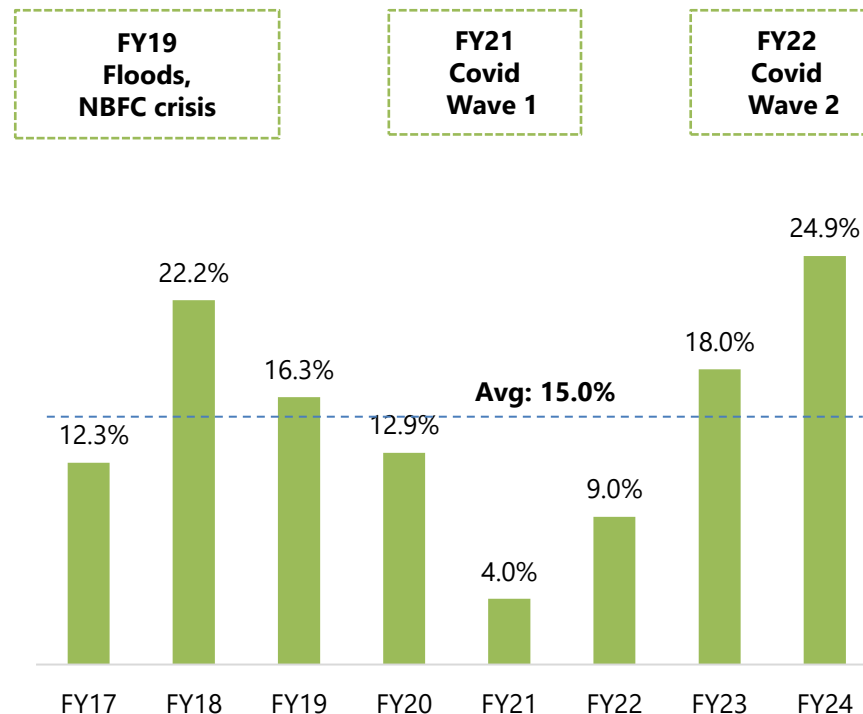
Note: FY23 figures have been restated post-completion of CA Grameen - MMFL legal merger

Past Eight Years Cross Cycle Performance

Cross-Cycle ROA (%)



Cross-Cycle ROE (%)





Key Business Updates



Financial Results Overview



Liability Strategy



Cross-cycle Performance Track Record



Investment Rationale

Management Team with Decades of Experience across Banking and Finance Industries



Udaya Kumar Hebbar
Managing Director



Ganesh Narayanan
Chief Executive Officer



Nilesh Dalvi
Chief Financial Officer



Sudesh Puthran
Chief Technology Officer



Firoz Anam
Chief Risk Officer



Gururaj K S Rao
Chief Operating Officer

- We created a **strong CXO layer** 3 years back to support future business growth and scalability
- Current Senior Management team is **sufficient for managing business expansion** over the next 5 years
- Highly **stable senior field staff** enabling consistency in processes and controls and strong asset quality
- Consistent emphasis on training and **employee retention strategies**
- Robust pipeline of **internal job opportunities** (Top 10-15% at the hierarchal level being elevated to higher responsibilities)
- 30-50% of senior/ management team **goals are aligned with strategic projects'** execution

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

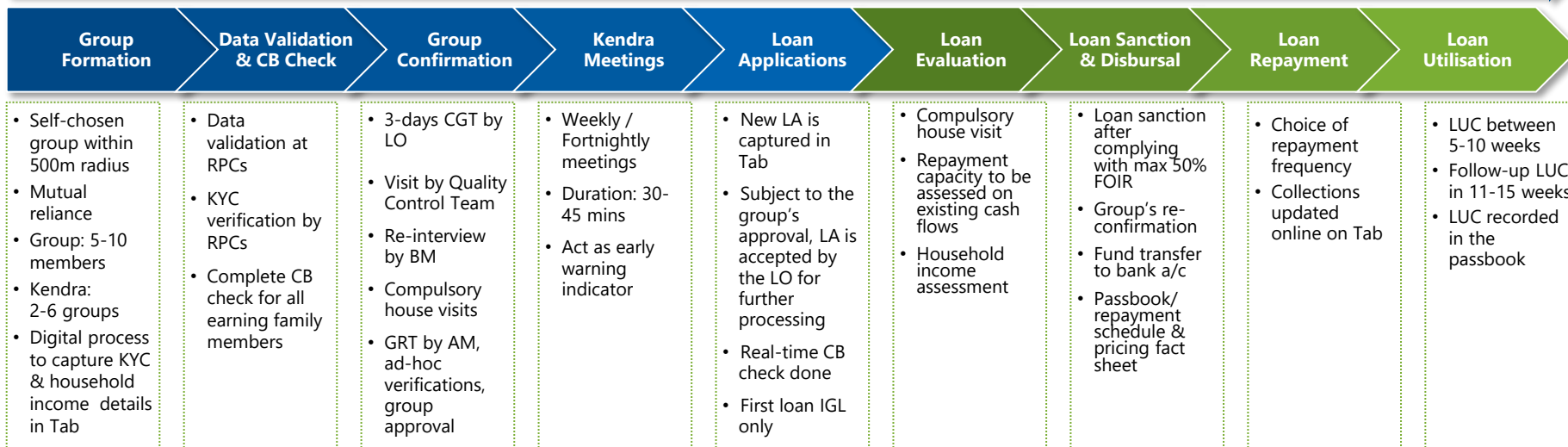
JLG Benefits:

- ✓ 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 the Disbursement of a Loan



Note: CB: Credit Bureau, RPC: Regional Processing Center, CGT: Compulsory Group Training, GRT: Group Recognition Test, 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:

- Flexibility to borrow 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 - 1,50,000	12 – 36
Group	Home Improvement Loan	Water Connections, Sanitation and Home Improvement & Extensions	5,000 - 20,000	12 – 24
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	Individual Unsecured Loan, Gold Loan, Two-Wheeler Loan, Loan Against Property & Affordable Housing Loan	Purchase of inventory, new two-wheeler, buying a home, home improvement or for making capital investment in business or business expansion	Up to 20,00,000	3 – 240

88% borrower retention rate signaling high customer satisfaction

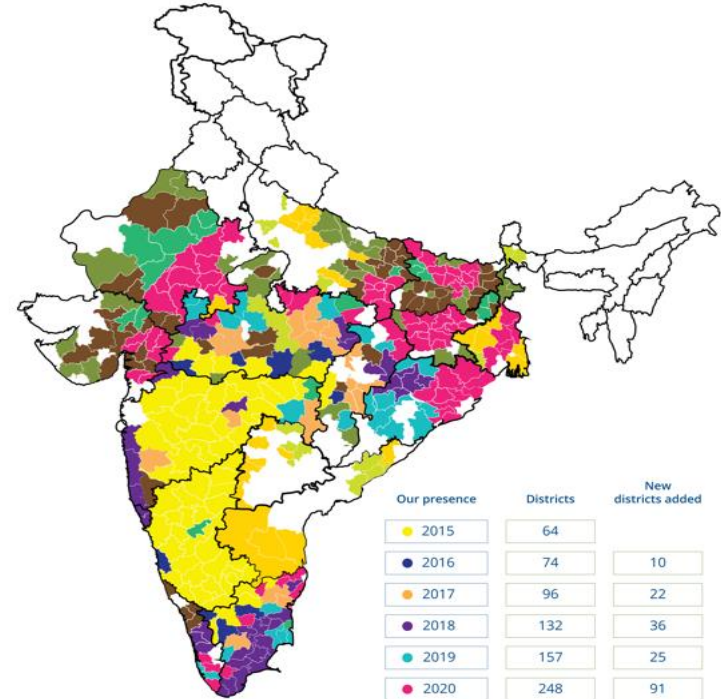
Sustainable & Socially Relevant

Significant growth from existing customer

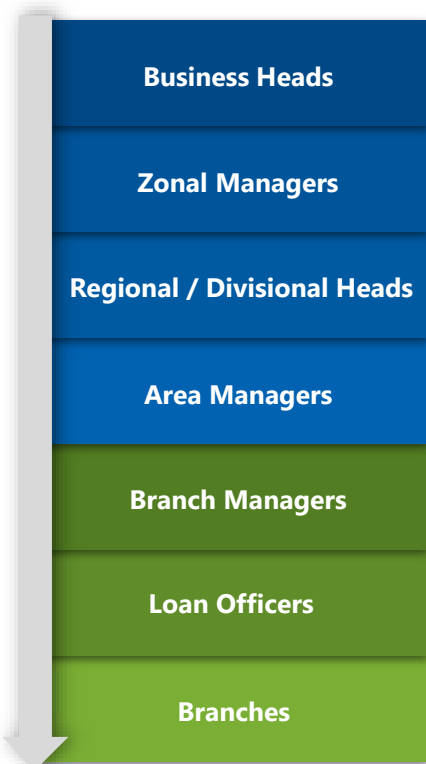
Lower customer acquisition cost

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 \leq 2% of GLP, No single district has > 3% of total GLP)



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 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): 399 – team members

- IA frequency – minimum 8 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 the Board is updated every quarter on significant internal audit observations, compliances, risk management practices and control systems

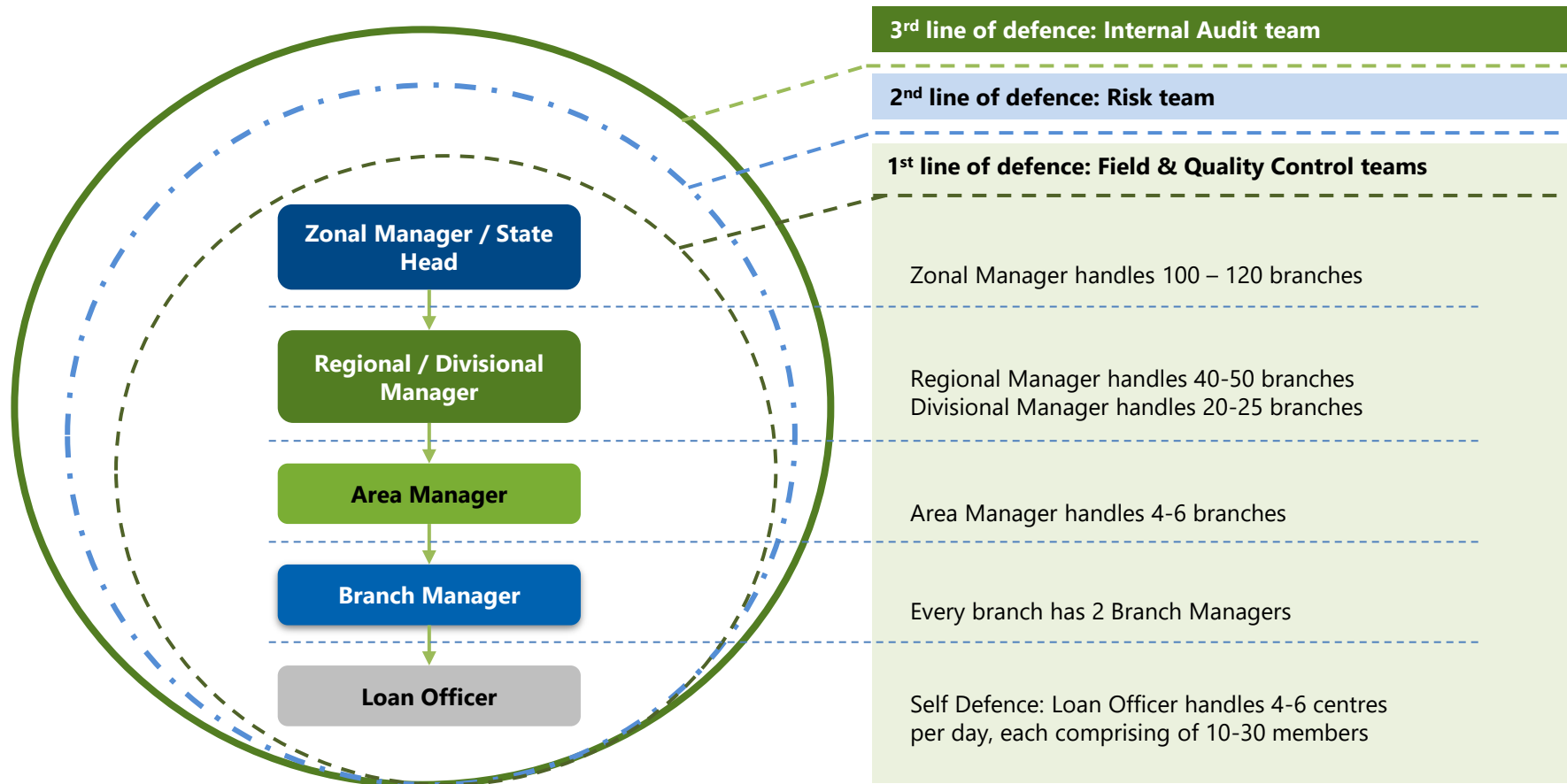
Quality Control (Business Support): 428 – team members

- 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): 79 – team members

- FRC adds strength to proactive operational risk management
- FRC conducts branch visits on a sample basis, complementing 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:

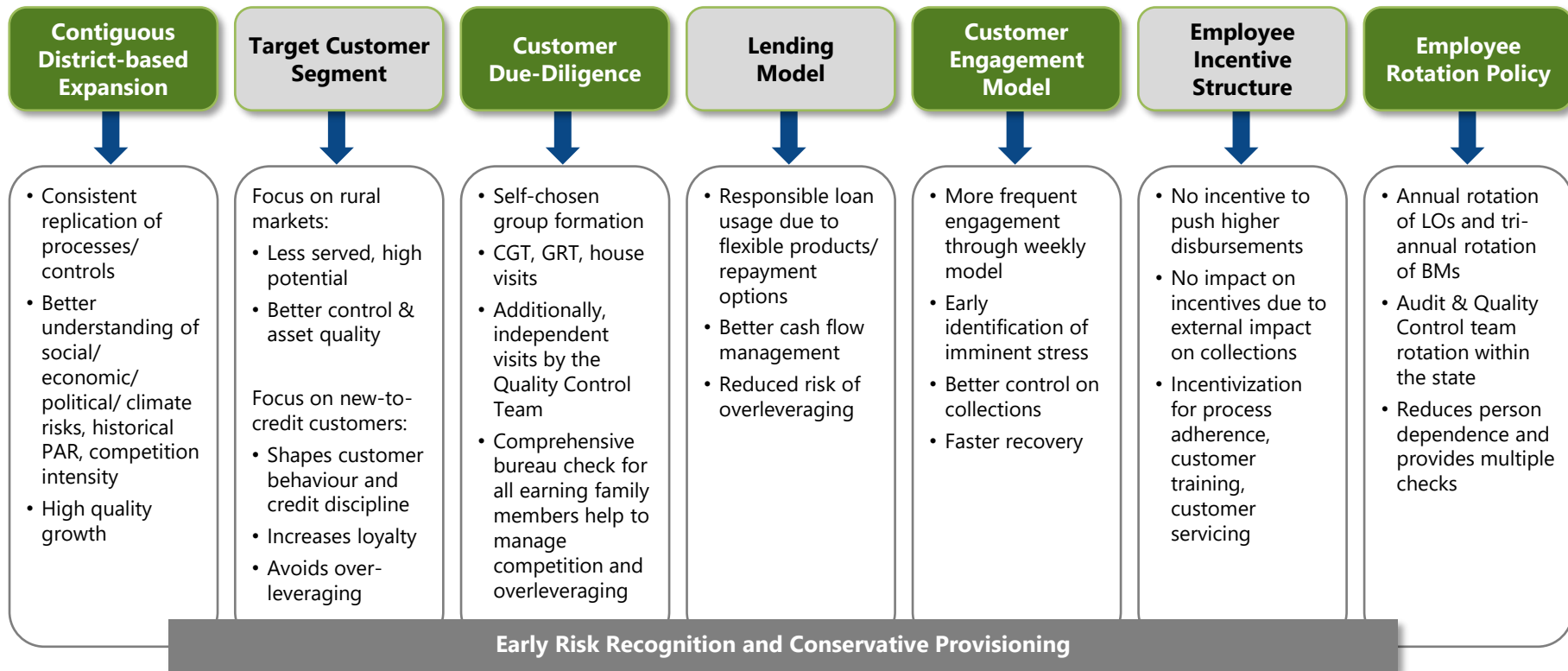
- Digitised all customer touchpoints
- Field staff equipped with handheld tabs for managing Kendra meetings & collections
- Automated/ paperless customer on-boarding, faster KYC, and CB checks
- Lower TAT, same day and on-field loan disbursements
- Geotagging of Kendra locations to optimize field visits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

- 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



Strong Parentage & Shareholder Base



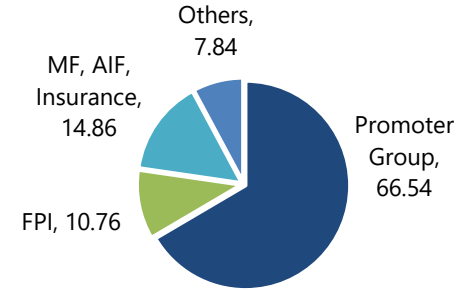
Committed to Micro Finance Business

- CreditAccess India B.V. (CAI) specialises in Micro & Small Enterprises financing
- Widely held shareholding base: 279 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 66.54% in CA Grameen, committed to holding up to the regulatory requirement in future

Shareholding Pattern – September 2024



Top 10 Institutional Investors – September 2024

Axis Mutual Fund
Border to Coast Emerging Markets
Canara Robeco Mutual Fund
HDFC Mutual Fund
ICICI Prudential Life Insurance Company
Nippon India Mutual Fund
Schroders
T Rowe Price
UTI Mutual Fund
Vanguard

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)



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