

**CREDITACCESS GRAMEEN LIMITED**

**Transcript of 34<sup>th</sup> Annual General Meeting of held on**  
**July 30, 2025**

**Mr. George Joseph:** Good afternoon, ladies and gentlemen. I'm George Joseph, Chairman of the Board of Directors and Lead Independent Director of the company. I'm joining the meeting from the registered office of the company at Bengaluru. It is 3:00 PM and it gives me immense pleasure to extend you a very warm welcome to the 34<sup>th</sup> Annual General Meeting of CreditAccess Grameen Limited, which is being held through video conference in accordance with the applicable provisions of the circulars issued by the Ministry of Corporate Office and SEBI from time to time. I hope all of you are safe and in good health. I would now request my colleagues on the Board, as well as the Key Managerial Personnel who have joined this meeting to join the roll call and introduce themselves. Manoj Kumar.

**Mr. Manoj Kumar:** Hello, good afternoon. I'm Manoj Kumar, Independent Director.

**Mr. George Joseph:** Jessie Paul.

**Ms. Lilian Jessie Paul:** Hi, this is Jessie Paul, Independent Director, and I'm doing this remotely from a hotel in France.

**Mr. George Joseph:** Rekha Warriar.

**Moderator:** Rekha madam, you're on mute. Please unmute and speak.

**Ms. Rekha Warriar:** Rekha Warriar, Independent Director. I'm taking this meeting from my residence at Pune.

**Mr. George Joseph:** Sumit Kumar. Sumit, you're on mute. You're on mute. Yes.

**Mr. Sumit Kumar:** Yeah. Hi. Sorry. Some technical glitch. This is Sumit Kumar. I'm from Gurugram.

**Mr. George Joseph:** Massimo Vita.

**Mr. Massimo Vita:** Yeah. It's Massimo Vita. I'm calling from my residence in Italy. I'm a Non-Executive Director. Thank you.

**Mr. George Joseph:** Now, Ganesh Narayanan.

**Mr. Ganesh Narayanan:** Hi. Good afternoon, all of you. I'm Ganesh Narayanan, MD, Designate and Chief Executive Officer, CreditAccess Grameen. I'm taking this call from the Head Office in Bangalore.

**Mr. George Joseph:** Gururaj.

**Mr. Gururaj K S Rao:** Yeah, good afternoon all. This is Gururaj Rao, Chief Operating Officer. I'm joining the meeting from CAGL Registered Office in Bangalore. Thank you.

**Mr. George Joseph:** Nilesh.

**Mr. Nilesh Dalvi:** Yeah. Hi. Good afternoon, everyone. I'm Nilesh Dalvi. I'm the Chief Financial Officer. I'm taking this meeting from the Head Office.

**Mr. George Joseph:** And Mr. Mahadev Prakash.

**Mr. M. J. Mahadev Prakash:** Yeah. Good afternoon, everyone. This is Mahadev Prakash. I'm the Company Secretary and Chief Compliance Officer. I'm attending the meeting through video conference from the Registered Office address in Bangalore.

**Mr. George Joseph:** I acknowledge the presence of both the Joint Statutory Auditors and the Secretarial Auditors of the Company along with Mr. Rajiv Balakrishnan, the Scrutinizer for remote e-voting and e-voting at this meeting, who joined this meeting through video conference.

Dear members, on behalf of the Board of Directors of the company, I want to thank you all for taking out your valuable time to join this meeting today. We have the requisite quorum present through video conferencing to conduct the proceedings of this meeting and all the members attended this meeting through video conference are counted for the purpose of the quorum and they therefore call this meeting to order.

In accordance to the relevant circulars issued by the Ministry of Corporate Office and SEBI, the Company had sent Notice of the 34th AGM together with the Annual Report for 2024-25 through electronic mode to only those members whose e-mail addresses are registered with the Depositories, Registrar and Transfer Agents and therefore no physical copy of the Annual Report is sent to any shareholder unless specific request in this regard has been received by the Company. As the Notice has already been circulated to all the members, I take this Notice for convenience of this meeting as read. I now request Mr. M. J. Mahadev Prakash, Company Secretary and Chief Compliance Officer. To provide general guidelines to the Members regarding the participation in the meeting.

**Mr. M. J. Mahadev Prakash:** Thank you, Chairman. Dear Members, You are requested to note that this 34th Annual General Meeting of shareholders of the company is being held through video conference in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and SEBI from time to time. As the AGM is being held through video conference, the facility for

appointment of proxies by the members is not applicable. Since e-voting process is being followed, they will neither be voting by show of hands nor physical voting. The Register of Directors and KMPs and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 are available electronically for inspection by the members during the AGM. All the documents referred to in the Notice are also available for electronic inspection by the members without any fee.

The Company has received requests from a few shareholders as speakers at this meeting, whose names will be called out one by one during the Q&A session to speak. Once the Chairman opens the floor for questions and answers. The audio and video of such speakers will accordingly be enabled by the moderator. After all the speakers have raised their queries, the management will respond to the same at once. Shareholders are advised not to disclose their personal identifiable information in the meeting.

Including ordinary businesses there are 7 agenda items listed for today's meeting which will be taken up in the order of preference as given in the AGM Notice. Pursuant to the applicable provisions of the Companies Act 2013, the rules made thereunder, relevant circulars issued by MCA and SEBI, the e-voting facility has been provided to all the shareholders of the Company through the e-voting platform of KFin Technologies Limited, the Registrar and Share Transfer Agents. The remote e-voting process was completed yesterday, that is Tuesday, July 29th, 2025 at 5:00 PM. So, those members who have not cast their votes through remote e-voting can cast their e-votes towards the end of the meeting after the resolutions are put to vote. Mr. Rajiv Balakrishnan, Director, Beyond Compliance Corporate Services Private Limited, has been appointed as the Scrutinizer for remote e-voting as well as for e-voting process at this meeting. I now hand over the proceedings to the Chairman.

**Mr. George Joseph:** Thank you, Mahadev. Dear all, a very warm welcome to the 34th Annual General Meeting of CreditAccess Grameen. I address you today for the last time as Chairman with a deep sense of fulfillment, gratitude and emotion. For the past decade, the organization has been more than a company. It has been a mission, a family and a source of immense pride. From my early days as an Independent Director in 2015 to now as the Chairman, I have had the privilege of witnessing CreditAccess grow from strength to strength, driven by unwavering commitment to empower under served communities across India. Our journey has been shaped by the visionary leadership starting with Ms. Vinatha Reddy, the founder, followed by Mr. Paolo Brichetti, the current promoter and under the former Managing Director Mr. Udaya Kumar Hebbar whose passion, integrity and relentless focus on building sustainable industry culture. They are the bedrock of our success.

Today with Mr. Ganesh Narayanan stepping into the leadership role and watching him over the past five and a half years transition to CEO under Udaya's leadership, I am filled with confidence that the company's future is in capable hands. Ganesh brings fresh energy and deep expertise in

seeing continuity while driving innovation and growth along with the seasoned management team. I am certain that under Ganesh's leadership, the legacy we have built will flourish even further. Friends, Financial Year 2025 tested us in many ways with macroeconomic uncertainties, sector challenges and evolving market dynamics. Yet, CA Grameen's disciplined execution, robust employee engagement and business rule engine capability allowed us to navigate these challenges with precision. We have successfully navigated 4 macroeconomic disruptions over the past 8 years while maintaining robust cross cycle performance of 3.6% Return On Assets and 14.4% Return On Equity. This performance reflects our ability to not only endure economic turbulence, but to capitalize on the opportunities arising from it.

Looking ahead, our medium term goal remains to reach ₹50,000 crore Assets Under Management by 2028. CreditAccess Grameen's greatest strength lies in its people. For the 6th consecutive year, we have been certified as a Great Place to Work and ranked among the top 50 BFSI workplaces. Our commitment to diversity, equity, and inclusion ensures every team member is empowered, respected and encouraged to bring their best selves to the workplace everyday. This industry culture feels our innovation and service excellence.

On the ESG front, we have made meaningful progress by enhancing transparency, deepening sustainability practices and reinforcing our commitment to responsible business. These efforts have positioned us as a future ready institution fully aligned with long term stakeholder value creation. Our financial strength, governance standards are reflected in our industry during the standalone credit rating of AA-/Stable from CRISIL, India Rating, and ICRA, the highest in the microfinance sector. We take great pride in our growing international borrowing footprint, which today accounts for 21% of our total funding. Very few NBFCs in the country have achieved such depth in global debt markets.

Our work has been recognized through several prestigious awards during Financial Year 2025 including ESG Excellence Award at the KPMG-ESG Conclave, ESG BFSI Financial Inclusion initiative of the year. The THIT i.e. Transforming Healthcare through IT - 2025 award for Excellence in Rural Healthcare and Bronze at the Asia Pacific Stevie Awards for our Financial Year 2024 Integrated Annual Reporting.

To our stakeholders, the Board, leadership team, employees and partners, thank you for your unwavering belief in our mission. CreditAccess Grameen stands tall today, resilient and ready for the future with the best chapters of our story still being ahead. Thank you very much. Now, I request Mr. Ganesh Narayanan, CEO and Manager, Managing Director Designate, to proceed with this presentation.

**Mr. Ganesh Narayanan:** Thank you, Chairman. It's my privilege to welcome you all to the 34th Annual General Meeting of CreditAccess Grameen. This is my first AGM as MD Designate and CEO. Working in CreditAccess Grameen over the last 5 1/2 years has been the best part of my career so far and I'm extremely passionate about our vision and team of CreditAccess Grameen who've taken

it on them to execute the same. I take this opportunity to run you through the performance of the company for the last Financial Year.

OK, Yeah. So last year the company went through several challenges. As an industry, the microfinance sector went through a high credit cross cycle. Irrespective of that, the company was able to uphold their portfolio levels similar to the previous year irrespective of accelerated write-offs done by the company. And we also gained 70 bits market share industry to 6.9% overall a year. We also disbursed around ₹20,000 crores during the year. The total borrowers stood at around ₹46.9 crore Lacs. This is a reduction of 4.6% from the previous year. However, the BPOP increased compared to last year. We closed last year with PPOP of ₹2,638 crore, Profit After Tax of ₹531 crore. Interest spread and remained stable around 10.8% and 12.9%. We closed here with an ROA of 1.9% and ROE of 7.7%. Our collection efficiency stood at 94.9 in the previous year.

Gross NPA at 4.76. This is at 60 days DPD. Our ECL Provisioning stood at 5.07 and Net NPA at 1.73. Amidst several industry challenges, we delivered an ROA of 1.9 and ROE of 7.7. And we are well poised for a good Financial Year in the year 2026. We were able to maintain a steady cost of borrowing at around 9.8% over the last seven years. The company also was awarded Great Place to Work certification for the 6th consecutive time and was ranked among the top five best companies to work in BFSI space 2024.

With respect to GLP, we close the year with ₹ 25,948 crore. On a five year basis, the CAGR growth stood at 18%. We close the year with 46.9 lakh borrowers. The growth rate was at CAGR of 5%. I'm not seeing that. OK, OK. And please go to the next slide.

Yeah, from a Branch Strength perspective, last year we added close to 100 branches and we closed the year with 2,063 branches. Loan officers increased to 14,170 from 13,190 and overall employee count increased to 20,970 from 19,359 the previous year. Our network and presence continues to increase on a year-on-year basis. So we operate in around 16 States and 1 Union Territory. We operate in 423 districts with around 263 branches. We are now almost present on a pan India basis and we continue to grow our network year on year. Please go ahead.

So key performance highlights. Some of these we've already seen. The GLP is at ₹25,948 crore. We did 20,037 crore disbursements during the last year. We discussed that we have totaled 2,063 branches. We opened a hundred new branches during the year. We have a provisioning of 5.07%. We had to write off ₹1,124 crores during the last year. Active borrowers stood at 46.94 and our debt equity is at 2.9 and total equity is at quite a comfortable position at ₹6,956 crore. Go ahead. From a P&L statement perspective, the overall net income rose from ₹3,259 crores the previous year to ₹3,622.7 crores the last Financial Year. Our PPOP stood at ₹2,638 crore which is a 10% increase from the previous Financial Year. Profit After Tax stood at ₹531 crores which is a drop of 63% due to the microfinance sector stress that we saw and the write off that the company had to do. The portfolio yield stood at 20.6%, has been stable and from a balance sheet perspective, the total assets stood at ₹27,802 crores. As discussed earlier, the total equity is at 6,956 crore and quite strong, strongly positioned for our growth.



On a cross-cyclical basis, you will see that the company has delivered an ROA of 3.6% and an ROE of 14.4%, which has increased from the previous year from 3.3 to 3.6%. And this cross cycle ROE with our diversification efforts should continue to improve on a year-on-year basis.

We have a very strong Liability Franchising. We are happy to note that the company has been able to increase their foreign currency borrowing. The bank borrowing stood at around 56.9% and the Foreign Currency Borrowing increased to 22.4%. We are happy to note that the long term facilities are at 73.4% and our Cost Of Borrowing as discussed earlier remains steady over the last seven quarters with no change. Today we have a very diverse lenders' base with 43 commercial banks, 3 financial institutions, 22 foreign lenders and 6 NBFCs. We continue our effort to diversify into different types of borrowings, including markets, including NCDs and international borrowing through NCDs.

The company received the following awards during the last year. We received the ESG Excellence Awards from KPMG. We also received the Best Financial Inclusion Initiative of the year from BFSI Exceller. We also got THIT awards for our CSR initiatives in healthcare and we also won the Asia Pacific Stevie Awards for our innovation in Annual Reports. Please go ahead.

From a share price performance CA Grameen's stock underperformed both the indices during the last year primarily due to the microfinance industry crisis. And on a comparative basis with the industry, you will see the CreditAccess Grameen stock price relatively outperformed compared to industry peers during the Financial Year 2025. And we believe that the company is poised to do well during this new Financial Year and the stock prices should significantly improve as we start performing better. Thank you all. Thank you, sir.

**Mr. George Joseph:** Thank you, Ganesh. Dear shareholders, now we come to the next session. In this session we take up the resolutions for consideration and approval. And the following agenda items are taken up, in the order of it being read out.

Number one, adoption of annual financial statements, including consolidated financial statements for the company for the Financial Year ended 31st March 2025, together with the nods to accounts, schedules and reports of the Board of Directors and Auditors thereon. This is an ordinary resolution.

Number two, appointment of Mr. Paolo Brichetti, Director Identification Number 01908040 as a Director who is liable to retire by rotation, as an ordinary resolution.

Number three, reappointment of Ms. Lilian Jessie Paul, Director Identification Number 02864506 as Independent Director of the Company for a second time of five consecutive years as a special resolution.

Number four, appointment of Mr. Ganesh Narayanan, Director Identification Number 09120748 as Director of the Company subject to the approval of Reserve Bank of India as an ordinary resolution.

Number five, appointment of Mr. Ganesh Narayanan, Director Identification Number 09120748 as Managing Director and CEO for a period of five consecutive years, subject to the approval of Reserve Bank of India as a special resolution.

Number six, appointment of Mr. Udaya Kumar Hebbar, Director Identification Number 07235226 as a Non-Executive Director nominee of the Company subject to the approval of the Reserve Bank of India as an ordinary resolution.

Number seven, appointment of Mr. Sandeep and Associates as Secretarial Auditors for a period of five consecutive years as an ordinary resolution.

Dear Shareholders, Now we will continue to the next session. Session for shareholder queries. I open the floor for shareholders to speak. I request the KFin team to enable the speakers one by one, the speakers kindly, not to mention your name, polio number or demat account number and the location from where you have joined. In the interest of time and smooth conduct of the meeting, please keep your observations and questions brief and to the point and not to exceed the time limit of three minutes allocated to each speaker. All queries will be responded to by the management at the end. Over to KFin.

**Moderator:** Thank you, Chairman sir. We will now take up the speaker shareholders one by one. I now request the first speaker shareholder Mr. Srikanth Jhawar to unmute the audio, switch on the camera and ask the query, please. Srikanth Jhawar. Mr. Srikanth Jhawar, can you please speak?

**Mr. Srikanth Jhawar:** Hello respected Chairman, all Board of Directors, Namaskar sir. मेरा नाम श्रीकांत झांवर। मैं हैदराबाद से बात कर रहा हूं सर यह वीडियो कॉन्फ्रेंस के माध्यम से। मैं आपका प्रेजेंटेशन थोड़ा बहुत देखा सर, थोड़ा नहीं दिखा। नेटवर्क प्रॉब्लम हो रहा है। यह साल अपने अर्बन और रूरल एरिया में कितने ब्रांचेस होने के चांसेस है, उसके बारे में बताइएगा सर। और साथ में मैं कंग्रेजुलेशंस आता हूं आपको अवॉर्ड्स के लिए और लास्ट ईयर में यह बोला था कि स्टॉक स्प्लिट करने का सोचिए सर। तो क्या इसमें लिक्विडिटी बढ़ाने का बहुत चांसेस है। अगर रिटेल इन्वेस्टर भी जाईन होगा और अपना शेयर प्राइस भी आज बहुत स्ट्रॉंग इतने बुरे मार्केट में भी। और आते सो दशहरे, दीपावली की शुभकामनाएं और साथ में अपने सेक्रेटेरियल टीम का भी धन्यवाद। Thank you, sir.

**Moderator:** Thank you, Mr. Jhawar. I now request the next speaker-shareholder Santosh Kumar Saraf, to unmute the audio, switch on the camera and ask the question please.

**Mr. Santosh Kumar Saraf:** Just a minute.

**Moderator:** Yeah.

**Mr. Santosh Kumar Saraf:** Hello.

**Moderator:** Yes sir, you are audible. You can continue.

**Mr. Santosh Kumar Saraf:** Respected Chairman and Board members and my fellow shareholders, my name is Santosh Kumar Saraf from Kolkata. Namaskar. Hope all our Directors and employers are safe and in good health. First of all, all our employees who are working in the field and offices, they did a great job. I also thank their family, those are the straight backbone of our employee. So they can provide full service. Hello, hello Sir, under your presentation and speech, nice speech, sir. One thing is very sad, you said you are retiring this year, sir. This is very sad because under your leadership our bank improvement is good, sir. But maybe as per RBI line, RBI line you have to retire because no Neta has retirement time but officers have retirement fixed time. If Neta has 80 years never to retire, Neta means leaders, political party leaders, they never retire. We have a good work issue. Persons may retire, no extension not allowed. So, sir I wish your retirement life very happy and good, sir and wish for your long long life sir because we never forget you and never forget your contribution in our banks, sir. Sir, today is your retirement. I do not want to ask you any other question. The only thing I want to know is what outcome will come due to the technology upgrade, sir. And sir, nothing. Wish you all a happy Financial Year 2025-26 and hope to reach God.

सर में हिंदी में थोड़ा बोल लेता हूँ। और मैं भगवान से प्रार्थना करता हूँ कि सभी की जिंदगी में खुशियाँ और खुशी रहे। और लाइफ अच्छी रहे सर। सर आने वाले त्यौहार की जो festival is coming राष्ट्रीय national or your personal I wish for them and wish to God for, खुशियाँ और आनंद आपकी जिंदगी में लेके आए। और मैं मॉडरेटर कार्वी का भी आभार प्रकट करता हूँ, उनकी भी काफी अच्छी मॉडरेटर है, तो उनका भी आभार प्रकट करता हूँ। और भविष्य में इसी तरह सर्विस देंगे। मैं सेक्रेटरी और उनकी टीम का भी आभार प्रकट करता हूँ जो सदा हमारी टच में रहते हैं और सदा आपकी सर्विस प्रदान करते हैं। समय देने के लिए बहुत धन्यवाद। George Joseph साहब, आपको एक बार फिर हाथ जोड़कर भगवान से प्रार्थना करता हूँ जो retirement life will be good and healthy, sir. Thank you.

**Mr. George Joseph:** Thank you Saraf saab. Thank you for your good words and good wishes. Thank you very much.

**Moderator:** Thank you, Mr. Saraf. I now request the third speaker shareholder, Mr. Praveen Kumar to unmute the audio, switch on the camera and ask the question, please.

**Mr. Praveen Kumar:** Hello, I'm audible?

**Moderator:** Yes Sir, you are audible. You can continue.

**Mr. Praveen Kumar:** Hello, I'm audible?

**Moderator:** You are audible, sir. Please continue.

**Mr. Praveen Kumar:** A very, very good afternoon to my respected Chairperson, well decorated and esteemed Board of Directors, My fellow shareholders, myself Praveen Kumar joining this meeting



from New Delhi. Love to share a few observations with the house sir. But before that in the starting of this Financial Year, this is our first introduction to the management service. The entire management team, each and every dedicated employee of our company, I call them warriors because they are doing social work, uplifting the society. They are doing a fantabulous job under your leadership, sir. And coming down to my relations, I've been with the company since the IPO. And I have the deepest respect for you. I have always been waiting for this moment to listen to your Annual Letter to the shareholder. It was very, very in depth and very, very informative. And as per your address to the shareholder, yes, despite so many social economical conditions last year, while everybody knows it, but despite those facts under your leadership Sir coming he's coming out with a very, very satisfactory result. And our revenue model is such that it will be a great community service to the large, you know, community at large and building business and building India in a very, very constructive way. I wholeheartedly support all the reservations which you set out for the Notice today. And I love to thank our respected Company Secretary for maintaining higher governance as most concerned. So, due respect to my earlier speaker, they asked a few questions so I don't want. But yes, I just pray to God that he will bless you with all the positivity because you are doing something great for the country. I'm so proud to be part of such a legacy, sir, God bless you. Thank you for this opportunity. Wish you all the luck and all the best. Thank you, sir. Thank you very much.

**Moderator:** Thank you, Mr. Praveen Kumar. We now request the fourth speaker shareholder, Mr. Manjeet Singh, to unmute the audio switch on the camera and ask the question, please.

**Mr. Manjeet Singh:** My audible.

**Moderator:** Yes sir, you are audible. You can continue please.

**Mr. Manjeet Singh:** CreditAccess Grameen की Management team, Secretarial team और my co-shareholders मैं सभी का स्वागत करता हूं। जिस तरह की हमारी परफॉर्मेंस इस क्वार्टर के अंदर रही है और शेयर बाजार ने आपके शहर को भी अच्छे मुद्दे दिए हैं। इसकी मैं आपको मुबारकबाद देना चाहूंगा। बाकी जिस तरह से चेयरमैन स्पीच चल रही थी उसके अंदर हमें कंपनी के वर्तमान और भविष्य के बारे में काफी कुछ पता चला। कंपनी हमारी लिस्ट हुए समय हो गया थोड़ा अब शेयर बाजार में लिफ्ट होने के बाद इन्वेस्टर के रुचि रहती है कंपनी अच्छी चल रही है, तो कोई ऐसा विचार बोनस का, कोई बोर्ड मीटिंग में, अभी नहीं तो कहीं साल दो साल में, ऐसा कोई विचार बन सकता है, थोड़ा इस बारे में बताइएगा। बाकी एनबीएफसी सेक्टर के अंदर हम हैं और इसमें हमारे लास्ट ईयर के मुकाबले इस साल जो बीता है 2024-2025 उसके अंदर हमारे कुछ एनपीए बढ़े हैं? थोड़ा आप इस बारे में बताइए अगर एनपीए बढ़े हैं या कुछ तो। बाकी जिस तरह के सेक्टर में हम हैं उसके अंदर कुछ लीगल प्रॉब्लम भी हमें आती होगी। तो वह स्टेट वाइस कैसे हो जाता है कंपनी कैसे उनका सॉल्यूशन निकालती है। बाकी अधूरा रहेगा वह पक्ष अगर हम उसका जिफ्र ना करें, सेक्रेटोरियल डिपार्टमेंट जिनकी मेहनत से हम आपसे जुड़ पाए हैं। उन्होंने भी जो BSE, NSE में लिस्टेड हमारी कंपनी है, 541770 कोड अभी यह सीखा और क्रेडिट एसीसी हमारा सिंबल है उसका पूरा सम्मान रखा है। कॉर्पोरेट गवर्नेंस हमारा अच्छा है। और करीब 4 महीने के अंदर बैलेंस शीट हमने बनाकर बोर्ड को रूबरू करा शेयरहोल्डर के सामने,

उनकी बहुत-बहुत धन्यवाद। सेक्रेटेरियल डिपार्टमेंट का भी। Thank you for the Secretarial team. Thank you to the management team. Thank you, sir. Thank you.

**Moderator:** Thank you. Mr. Manjeet Singh. We now request the fifth Speaker shareholder, Mr. Gagan Kumar to unmute the audio, switch on the camera and ask the question, please.

**Mr. Gagan Kumar:** Am I audible?

**Moderator:** Yes, sir, you are audible. You can continue please.

**Mr. Gagan Kumar :** Good afternoon, Mr. Chairman, Board of Directors and fellow shareholders, myself, Gagan Kumar. I'm joining this meeting from Delhi. First of all, I would like to mention that I had requested a hard copy of the Annual Report which I received on time. And after going through the Balance Sheet, I am happy to share that I do not have any questions pertaining to accounts. So my one or two, what is in my mind is very well explained by our CEO in their presentation. So the team behind the presentation really needs a kudos and very well presented by our CEO for most of the query is already resolved. Now my only single query left with the management is what is our future strategy to maintain our margins or to enhance it. This is the only general query for today's AGM. And as far as the investment is concerned, if we look at our share price almost doubled from 7015 to 1400 in one year. I mean what I investor want. The investor wants appreciation and we are getting it day by day. So it would be unfair without mentioning high corporate governance under the leadership of our CFO, CS and entire secretarial team. Thank you so much for this opportunity.

**Moderator:** Thank you. Mr. Gagan Kumar. I now request the next speaker-shareholder, Aloysius Peter Mascarenhas, to unmute the audio, switch on the camera and ask the question, please.

**Mrs. Celestine Elizabeth Mascarenhas:** Hello. Hello. Am I audible?

**Moderator:** Yes, Madam, you are audible. You can continue.

**Mrs. Celestine Elizabeth Mascarenhas:** Okay. Thank you. Thank you, Madam. Respected Chairman, other members of the Board, my dear fellow shareholders, I am Mrs. CE Mascarenhas speaking from Mumbai. First of all, I greet Chairman Sir George Joseph, Vice Chairman Paolo, MD Udaya Kumar Hebbar and other members of the Board, specially CEO Ganesh Narayanan, members of the Board, my dear fellow shareholder in the VC, I am Mrs. CE Mascarenhas speaking from Mumbai. First of all, I thank the Company Secretary Mr. Mahadev Prakash and his team for sending me an Annual Report, also for registering me as a speaker and giving this platform to speak. Also big thanks to K Fin Tech. Now working is very good. Our PBT, PAT has definitely appreciated, but our market cap is too good. And no dividend because to plow back for the future further growth. Now, congratulations for awards and accolades received, especially the Great Place To Work, for the last six years, every year we are getting, it is a real joy to our staff. I would like to know if our ESG score is 19.7. Can we improve the same? I would like to know, we have 20,970 employees, the ratio of male, female, average age. Do we have AI and GenAI? What is the spend on the AI GenAI

and this AI and GenAI, has it got any effect on the reduction of the staff head counts at lower level. We have 2,063 branches. Anymore to be open? We have a good rating credit by ICRA, CRISIL and IRR. At what rate do we get our long term debts, loans? Do we have whistle blowing? Any fraud detected in this policy? What is the requirement of CapEx to take more loans for the small borrowers? Future road map for the next 5 years? I support all the resolutions. I wish my company all the best. Thank you for giving me this patient hearing. Now I hand it over to Mr. Aloysius.

**Mr. Aloysius Peter Mascarenhas:** Hello. Respected Chairman sir, very distinguished members of the Board and my fellow shareholders. Good evening to you all. My name is Aloysius Mascarenhas. I'm a proud speaker of this prestigious company which is near and dear to me. I have held this company for a very long time and I've seen the growth of this company. We are in the right hands. Now my only question is because many questions I have asked by my predecessors, all my questions which I would have otherwise asked have already been said. So I have very few questions to ask. The only question that I would ask is who are our peers and competitors and what is our market share? So I don't want to ask anything more. There are many meetings that are going on concurrently. So I end my speech wishing you personally all the Board members and more importantly, all the employees, all the very best in the days and years to come. With this, sir, thank you very much for the patient hearing. Happy festive season coming ahead. And so I close this letter, my speech, wishing you personally good luck, goodbye and good health. Thank you.

**Moderator:** Thank you, Mr. and Mrs. Mascarenhas. The next speaker-shareholder Mr. Ramesh Shanker Golla, is currently not available in the meeting. I now request Mr. Sudhir Kumar Reddy to unmute the audio, switch on the camera and ask the question, please. Mr. Sudhir Kumar Reddy, can you please unmute and speak? Mr. Sudhir Kumar Reddy, can you please unmute and speak? Sorry sir. There is no feedback from Mr. Sudhir Kumar Reddy. I move on to the next speaker shareholder. Mr. Sanjog Saraf, please unmute your audio, switch on your camera and ask the question, please. Mr. Sanjog Saraf, can you please unmute and speak?

**Mr. Sanjog Saraf:** Yes, I hope I am audible right?

**Moderator:** Yes sir, you are audible. You can continue.

**Mr. Sanjog Saraf:** Okay. Thank you. Our respected Chairman and esteemed Board members, I'm Sanjog Saraf speaking from Kolkata. So I have just a couple of questions to ask. Nothing more. One is I would be interested in knowing that is the bank leveraging any digital banking or Fintech innovations to service clients better? And also, what are the steps taken to like, I mean, ensure cyber security or counter any frauds because maybe, I mean, we know a large customer base is on the rural side. So how are we ensuring that data frauds and a lot of these frauds which are happening a lot nowadays. Thank you.

**Moderator:** Thank you. Mr. Sanjog Saraf. The last speaker shareholder Ms. Bharti Saraf is currently not in the meeting. I'm sorry. Bharti Saraf has just joined. I request Ms. Bharti Saraf to unmute the audience, switch on the camera and ask the question, please.

**On behalf of Ms. Bharti Saraf:** Hello.

**Moderator:** Yes sir, you are audible.

**Ms. Bharti Saraf:** Thank you, Chairman and the esteemed Board members. My name is Bharti Saraf, a shareholder from Kolkata. Due to my ill health, I was not able to join today. I would like to thank you for letting me express my views through this recording. Sir, since our company's performance has been really good, I would like to thank all the stakeholders for this. I have a couple of queries. First of all, what is the company's plan for CapEx and secondly, what is the company doing with regards to women empowerment? Thank you.

**Moderator:** Thank you, Ms. Bharti Saraf. Chairman sir, with this, we have completed with the speaker shareholders and I hand over back to you for further proceedings, please. Thank you.

**Mr. George Joseph:** Thank you, Madam. Having received various queries from the shareholders, I now request Mr. Ganesh Narayanan CEO, MD designate to respond to the queries and provide relevant clarifications.

**Mr. Ganesh Narayanan:** Thank you, Chairman. First of all, let me thank all our shareholders for the kind of encouragement and support you had shown all through your questions. I acknowledge your appreciation of our team's efforts, be it our field employees, be it our Secretarial team, be it our presentation and deeply moved by your encouragement and it gives us more motivation to do better in the years to come. Let me take some of the questions that were asked by all of you. The number of branches we intend to open during the year is approximately around 200. It has been range-bound for the last few years barring last year because of the stress. So this year we should continue to see a good amount of branches getting open. In Q1 we opened roughly around 54 branches.

And with respect to technology upgrades, there was a question on technology upgrades and what we expect to do around this. So technology has been one of the significant spends of this company consistently. As you know, we were the first microfinance company to adopt a core banking solution quite early in 2015. And over the past few years, we have sharpened our technology stack. We've improved our core banking versions from R12 to R19. We've invested heavily on our data stack. We've invested heavily on our risk management softwares, audit management softwares and the entire journey of the customer today barring regulatory requirements is digital. So we onboard customers digitally, we disburse loans digitally. We've also enabled collections digitally. So from a 100% cash collection, the company is today doing 84% cash collection and 16% digital collections. So a significant amount of effort, time and money is being spent on technology to ensure that the company has the best of technology as we move forward and become bigger.

I also want to address the question on bonus shares and stock split. We appreciate the suggestion and we will evaluate these suggestions and take this up at an appropriate time. However, you

should also note that the company is in a high growth phase and we will continue to deploy our capital quite effectively as we move forward.

There was a question on the NPA situation and how we see it this year. So this year, the company predicts that the first two quarters we will have elevated credit costs because of the high power that we had in the previous year. But however, Q3 and Q4, you should see significant improvement in the company's performance and we should close the year with a much better performance compared to the Financial Year 2025.

There was a question on future strategy to maintain margins as per the company's product stack, be it group loans as well as retail finance, which we've got into in recent years. All our products ensure that the company is able to maintain margins and returns on a consistent basis. So with the flexibility in pricing as well as the efficiency that the company has demonstrated irrespective of various costs that have increased over a period of time, we've been able to maintain customer retention at very high levels of 87%. 85% to 87%. And that in turn has resulted in us having one of the best operating efficiencies in the microfinance sector. So through these initiatives with consistent focus on cost of borrowing, diversification of your liability franchise, etc., the company maintains one of the lowest financing rates tools and borrowers who are vulnerable and who are kind of struggling many battles in their everyday life. So we will continue to ensure that the margins of the company are protected in whatever we do ensure and to take care of the returns of the companies financial numbers.

There was also a question on, yeah ESG. I'll take ESG and the question on CapEx in the end, sir. I want to address this question on our market share, peers and competition. So our current market share is around 6.9% and today microfinance registered NBFC-MFIs are quite high in number. We have around 85 NBFC-MFIs who are registered with the RBI. And if you would like to understand the closest peers with respect to reach and you know the asset sizes, we can name a few. We can look at Swatantra as our peers, we can look at IIFL Samasta, we can look at Muthoot, Asirvad, Fusion, Spandana, IndusInd, BFIL. So there are quite a few. There are top 10 MFIs I think contribute roughly around 70-75% of overall investment. Amongst them CreditAccess Grameen remains at the top with an asset base of ₹25,948 crores.

There was a question on any digital banking and fintech related aspects and there was also a question on how do you counter frauds. I'll take these two. One, on the digital side, I'm happy to say that the company has taken the digital journey quite strongly over the last two years. So today we have a digital handle for our customers and it is quite unique and well positioned to pick up the digital revolution that is happening in the country. Approximately around 5 lakh customers, that is around 10% of our customer base have already downloaded our digital handle. And we are working towards increasing this penetration to a much higher level during the year. So this helps us kind of create a lot of transparency and trust with the customer, also offer services digitally and also helps us collect repayments on a digital basis, which I said is roughly around 16% today and is set to increase as the younger generation starts banking with us over a period of time.



With respect to frauds, I'm happy to say that CreditAccess has one of the strongest control functions. We roughly have around 1,000 employees in three different quality assurance teams including audit, field risk teams and quality assurance team. These teams consistently move from branch to branch, meet all our center's customers in a very strong and effective manner protecting us from any large financial frauds impacting customers as well as the company. I'm also too happy to share that we have one of the highest number of audits that happen in the industry. Our branches are currently going through an audit every 30 days. So that means at least 12 times a year they are being audited and every branch gets audited as well as every field officer gets audited for various aspects including behaviour with our customer practices, etc. So we have very strong auditing control teams like I said, field risk and quality assurance. Apart from this, our digital initiatives including Mahi, including our communication with customers through various channels including QR cards, we are talking about periodic connection with customers through SMS. Our central calling teams also get in touch with customers on a periodic basis to understand various aspects of our business. So we are quite well protected when it comes to control and with respect to frauds, the company is quite protected in its operations.

I now request Nilesh to take two questions. One is with respect to ESG and the CapEx-related question and Borrowing.

**Mr. Nilesh Dalvi:** So on the ESG, we have been taking consistent efforts for the last five years to integrate environmental, social and governance practices in our business operations. So CreditAccess Grameen has always been well known for demonstrating very high governance standards and we continue to maintain that going forward. Even when it comes to the social aspect, there is a lot of value in what we are creating on ground when it comes to empowering the people at the bottom of the pyramid to improve their lifestyle and enhance their economic activities. We have also been working on women empowerment. Even within our employee base, we have more than doubled the percentage of women employees. It was less than 10%. Today it is upwards of 20%. So we have achieved this whole last three years. So there are many other initiatives like digitization on which we are working, which will help to optimize our operations and overall help us on the environmental front as well.

We take a lot of Corporate Social Responsibility initiatives wherein we work closely with the end communities for the betterment of the community as well as the society and environment. So continued efforts on the ESG front have been underway. Second question, there was another question on the cost of borrowing. So we have a very diversified liability profile. Today we are borrowing from domestic as well as global lenders. We have more than 70 lending institutions domestically as well as globally from whom we have been borrowing and that has been helping us to maintain a very strong control on our borrowing costs. So today our cost of borrowing on an average is around 9.8%, which has been stable over the last eight quarters despite various challenges which the microfinance industry had faced. So because of our strong control on borrowing cost, it also helps us to be one of the lowest interest rate providers to our microfinance customers. So that has always been our strength. And now going forward, as we see the repo rate decline, it will gradually transmit into reduction in the cost of borrowing, which we believe we

should be able to pass on to our customers over a period of time. So that will be a continual benefit for our customers going forward.

Next, there was another question on the CapEx. So typically we have historically, we have been spending around 25 to 30 crores of CapEx. That's what we have spent and maybe the run rate will continue going forward. So largely the CapEx goes towards enhancing our, I mean expanding our branch network as well as improving our technology back end. So like there was one question on our tech spend. So typically tech spend is around 8 to 10% of our overall expenditure and we have been maintaining this consistently over the last several years and we believe this will continue to be channelized into investments going forward as well.

**Mr. Ganesh Narayanan:** Thank you, Nilesh. Yeah, I'll also take a couple of more questions which I missed addressing. There was one question about AI and GenAI kind of adoption and the amount of expenses and benefits that the company's derived from it. I would like to state that the company is currently experimenting with various options in AI and we are piloting a few solutions. However, the company has adopted a lot of robotic automation in various mundane processes. And I think over a period of time, we will be able to redeploy roughly around 2 to 3% of the teams which are working on this into alternative profiles for work. And we should see this help us strengthen various aspects with respect to how we onboard our customers, how we underwrite our customers. We're working on how we use these new solutions to kind of assess the income of our customers better. A lot of things are work in progress. Maybe in a few years from now we will have meaningful efforts, meaningful research that comes out of these experiments at this point of time. Yeah, there is no reduction of staff because of this and we generally redeploy because we are a growing company and we will move them to interesting roles.

And with respect to whistleblower complaints, there are no whistleblower complaints during the year on the company.

And yeah, on a five year road map. As you know, the company has put out in public our 2028 plans where we are saying that we would reach approximately ₹50,000 crore Assets Under Management. And out of this we believe that roughly around ₹6000 to ₹7,500 crores will be in the form of retail finance. So your company today apart from doing microfinance also does secured business loans. We also do affordable home loans. We're also working on offering two-wheeler solutions for our customers apart from unsecured business loans to graduate customers. So these four products today constitute roughly around 6% of our AUM. And that is set to increase around 12 to 15% in the next three to four years. So that is the direction in which we are working and we will continue to expand our microfinance base across various states that we operate. Thank you so much. I hope I've addressed all your questions. Chairman, I'm giving it back.

**Mr. George Joseph:** Yeah, thank you Ganesh and Nilesh for the detailed clarifications. I think all the queries are being clarified. Thank you all. I placed on the card my sincere appreciation for the participation of all of you. The shareholders who have not cast their votes through remote e-voting can now vote on the resolutions specified in the AGM Notice for which the Insta Poll facility will be kept open for 15 minutes at the end of this meeting. Within 48 hours from the conclusion of this

AGM the combined results of the remote e-voting and Insta Poll along with this Scrutinizer's Report will be communicated to all Stock Exchanges and placed in the website of the company. With this we conclude the 34th Annual General Meeting at the company. Thank you all. Thank you very much.