CreditAccess Grameen Limited

Regd. & Corporate Office
#49, 46th Cross, 8th Block, Jayanagar, Bengaluru-560070
Phone: 080-22637300 | Fax: 080-26643433
Email: info@cagrameen.in
Website: www.creditaccessgrameen.in
CIN: L51216KA1991PLC053425

Ref: CAGL/EQ/2023-24/60

July 31, 2023

To

BSE Limited	**National Stock Exchange of India Limited**
Phiroze Jeejeebhoy Towers	**Exchange Plaza, C-1, Block G**
Dalal Street	**Bandra Kurla Complex, Bandra (East)**
Mumbai - 400001	**Mumbai - 400051**
Scrip code: 541770	*Symbol: CREDITACC*

Dear Sir/Madam,

Sub.: Annual Report for FY2022-23

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the Financial Year 2022-23.

The said Annual Report is available on the website of the Company at www.creditaccessgrameen.in

Please take this intimation on record.

Thanking you,

Yours' Truly
For CreditAccess Grameen Limited

M J MAHADEV PRAKASH

Digitally signed by M J MAHADEV PRAKASH
Date: 2023.07.31 23:01:14 +05'30'

M. J. Mahadev Prakash
Company Secretary & Chief Compliance Officer

Encl.: As above

CreditAccess®
Grameen

Forging a Path Towards a Stronger Future

INTEGRATED ANNUAL REPORT
2022-2023

ABOUT THE REPORT

1. Our Approach to Reporting

CreditAccess Grameen Limited's ("CA Grameen" or the "Company") third Integrated Annual Report (FY23) provides insights on the Company's endeavours to establish new performance benchmarks and strive towards fulfilling its vision. The Report outlines relevant financial and non-financial disclosures to meet the requirements of our shareholders, investors, lenders, and other stakeholders

2. Reporting Principle

The financial and statutory data presented in this report is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Report is prepared in accordance with the framework of the International Integrated Reporting Council (IIRC) and provides Key Performance Indicators (KPIs) across the Six Capitals. The Scope 1, 2 and 3 emissions disclosures are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard developed by the GHG Protocol Initiative, a partnership between World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). Further it also provides certain sustainability disclosures as per the Global Reporting Initiative (GRI) and the Taskforce on Climate-related Financial Disclosures (TCFD).

3. Reporting Period

The Integrated Report FY23 provides material information relating to our strategy and business model for the period April 01, 2022, to March 31, 2023. For KPIs, comparative figures for the last three years have been incorporated in the Report to provide a holistic view to our stakeholders.

4. Materiality & Scope

This report includes information, which is material to all stakeholders of CA Grameen, including our business policies, management systems, and material issues that impact our ability to value creation.

5. Management Responsibility

To optimize governance oversight, risk management, and controls, the contents of this report have been reviewed by the senior management of the Company and reviewed and approved by the Board of Directors to ensure the integrity, accuracy, completeness, and relevance of the information presented.

6. Independent Assurance

We safeguard the quality of information contained in the report through a robust assurance process, leveraging our internal expertise and external assurance carried out by Deloitte Haskins & Sells LLP, an independent third-party assurance provider. You can find our Assurance Statement on Page 89.

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CreditAccess Grameen

Since 1999

25

Years of Excellence & Women Empowerment

CreditAccess Grameen Limited, which started its operations under the brand name "Grameen Koota" in May 1999 in South Bengaluru, proudly celebrates its 25th year of operations. This marks a remarkable journey of excellence and an unwavering commitment to rural development and women empowerment.

Over the past quarter-century, the organization has been instrumental in transforming the lives of countless women, empowering them with access to financial services and opportunities for economic growth. Through its inclusive microfinance model, the Company has provided financial inclusion to low-income and poor households, particularly in rural India. This has enabled them to establish sustainable livelihoods and create brighter futures for themselves and their families.

As the organization reflects on its achievements, it remains steadfast in its dedication to empowering women, fostering entrepreneurship opportunities, and contributing to the growth of rural India.

FORGING A PATH TOWARDS A STRONGER FUTURE

CA GRAMEEN'S RIGHT TO WIN IN MICROFINANCE

As we enter our silver jubilee year of operations, CA Grameen continues to strengthen its position as India's largest pure-play microfinance institution, having a gross asset under management (AUM) of ₹210.31 billion, active customer base of 4.26 million and 16,759 employees. The Company has over the years challenged various industry stereotypes and established new performance benchmarks and governance standards, leading from the front.

What makes us an "Industry Leader"?

- We practice the classical joint liability group (JLG) model to safeguard credit discipline and deliver consistent asset quality across various business cycles.
- We offer differentiated products and services to meet the lifecycle needs of our customers, providing them with flexibility to choose suitable loan size, loan tenure, and choice of repayment frequency. This is a unique feature in the microfinance industry across the globe.
- We prioritize enhanced customer experience through digitalised customer journeys, robust technology stack, and suitable processes to ensure ready access to affordable credit.
- We offer micro-credit at one of the lowest interest rates in the industry. Our low cost of borrowings, efficient operations, and superior asset quality allow us to consistently offer competitive interest rates to our customers.
- We have a highly motivated team to support our future business growth and scalability. Strong management foresight, strategic alignment of work objectives, highly stable senior field employees, and a robust pipeline of internal growth opportunities enable us to maintain healthy employee culture and operational excellence.
- All these factors enable us to demonstrate sustainable growth in our business and customer base over the longer term. Our deep rural presence allows us to consistently source a significant higher proportion of new-to-credit customers. Further, our product and pricing suitability helps us to attract customers from our competitors as well as ensure high customer retention rates. Our contiguous district expansion approach, strong internal audit and risk management practices help us to replicate our business quality and controls consistently across various markets.

CREDITACCESS GRAMEEN LIMITED
FORGING A PATH TOWARDS A STRONGER FUTURE | FY 2023

OUR CAPITAL

FINANCIAL CAPITAL

Gross Asset Under Management (AUM):

₹210.31 BILLION (+26.70% YoY)

- Active Borrowers: **4.26 million (+11.52% YoY)**
- Total Income: **₹35,507.90 million**
- Pre-Provision Operating Profit (PPOP): **₹15,064.45 million**
- Profit After Tax (PAT): **₹8,260.60 million**
- Return on Assets (ROA): **4.23%**
- Return on equity (ROE): **17.97%**
- Opex/AUM: **4.7%**
- Capital Adequacy: **23.56%**
- Credit Rating: **AA-/A1+ (Stable outlook)**

SOCIAL AND RELATIONSHIP CAPITAL

- **99.99%** women borrowers
- Total number of loans disbursed: **4.88** million
- Highest comprehensive MFI grading of M1C1 from CRISIL
- Client Protection Certified (Cerise + SPTF) with "Gold Level", rated by M-CRIL
- Social Bond & Loan Framework certified by Sustainalytics

CSR spend of ₹115.31 million supporting 287,123 beneficiaries

MANUFACTURED CAPITAL

- Pan India presence in **14 states and one union territory**
- **1,786 branches** across **352 districts**
- **19** regional processing centres

INTELLECTUAL CAPITAL

- **1.6 products** per customer as at Mar-23
- **88% customer** retention rate***
- **1.23 million** new customers digitally onboarded
- **₹4,184.10** million cashless collections
- **154,731 AEPS** withdrawals amounting to **₹617.00 million**
- Only MFI to integrate world standard core banking solution
- **10,109 branch** audits performed using automated digital application

HUMAN CAPITAL

- **"Great Places To Work" Certified** for 4th consecutive year and among India's Top 25 Best Workspaces in BFSI 2023. Also, featured amongst the **top 100 companies to work** for in India
- Number of employees: **16,759**
- % of women workforce: **11.44%**
- % of employees from local community: **96.57%**
- Number of manhours of training: **1.99 million**
- Average training hours per employee (including pre-hires): **74 hours**

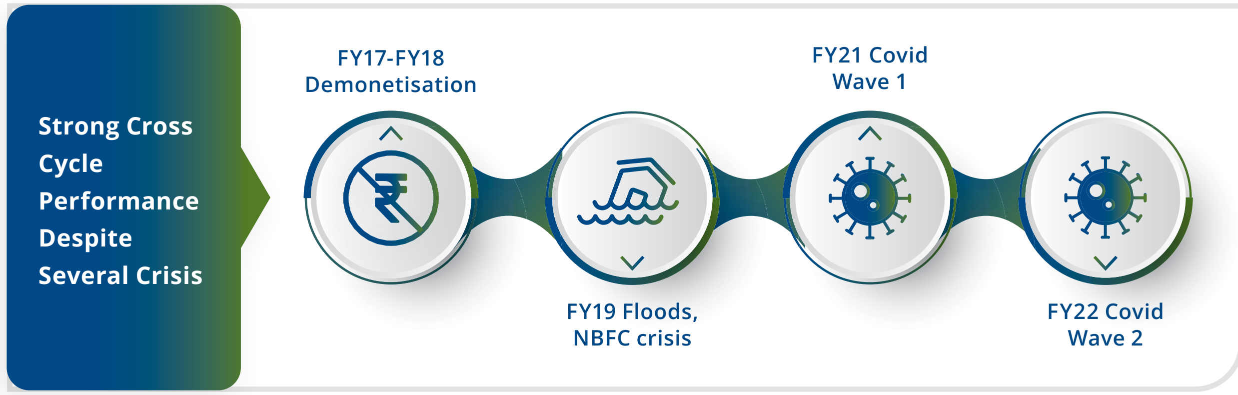
NATURAL CAPITAL

- **100% ESG** compliant loans
- Emissions (Scope 1,2,3)***: **13,580 tCO2e**
- Emissions (Scope 1,2,3) Intensity***: **1.00 tCO2e / FTE**

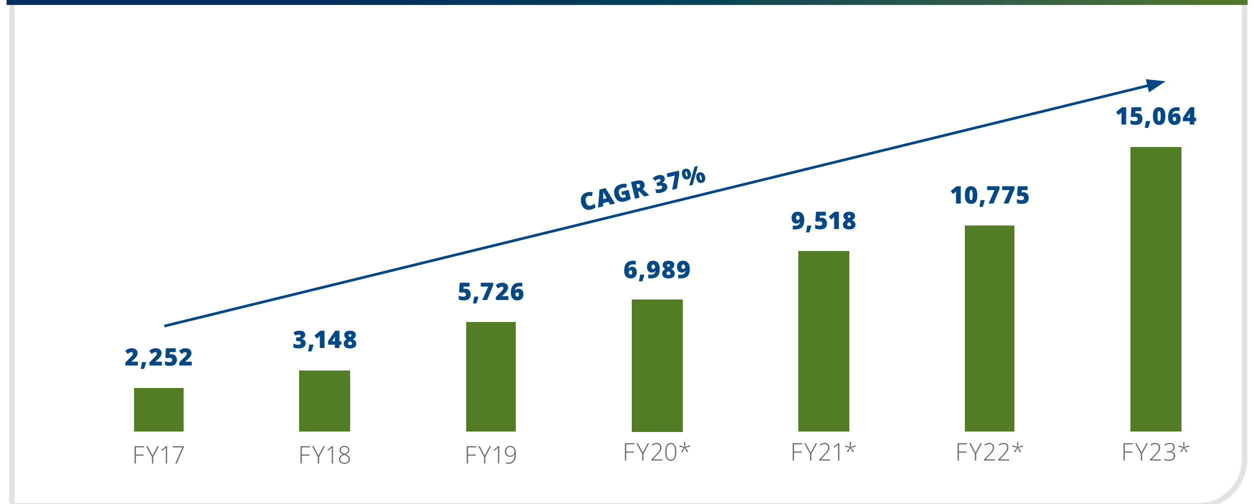
***The KPI is computed for 74% of branches (81% of employees, 80% of customers), excluding the branches acquired from Madura Micro Finance Limited subsequent to its merger with the Company in February 2023.

CREDITACCESS GRAMEEN LIMITED
FORGING A PATH TOWARDS A STRONGER FUTURE | FY 2023

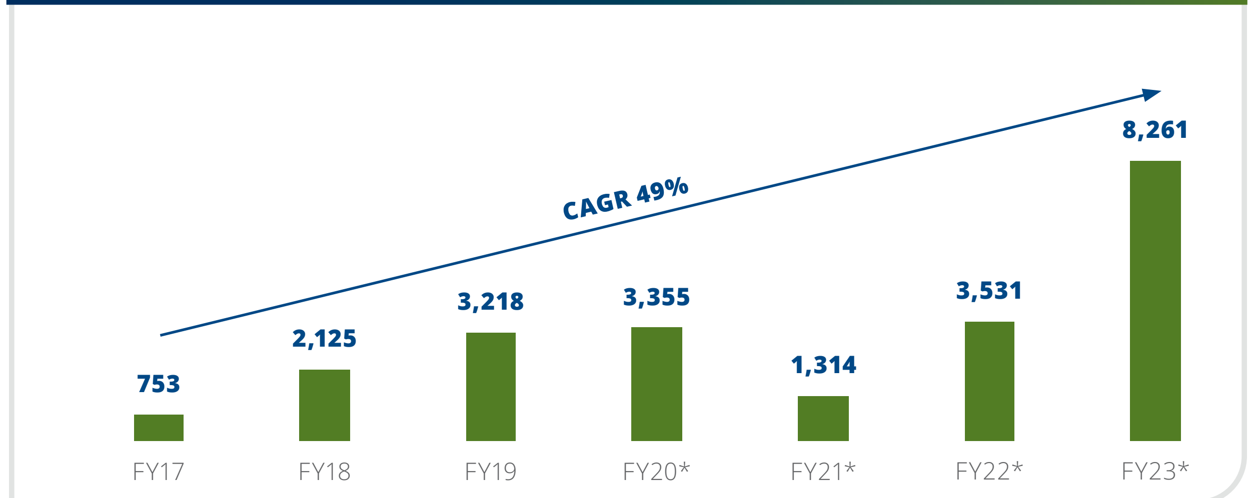
STRONG CROSS-CYCLE PERFORMANCE (FY17 – FY23)



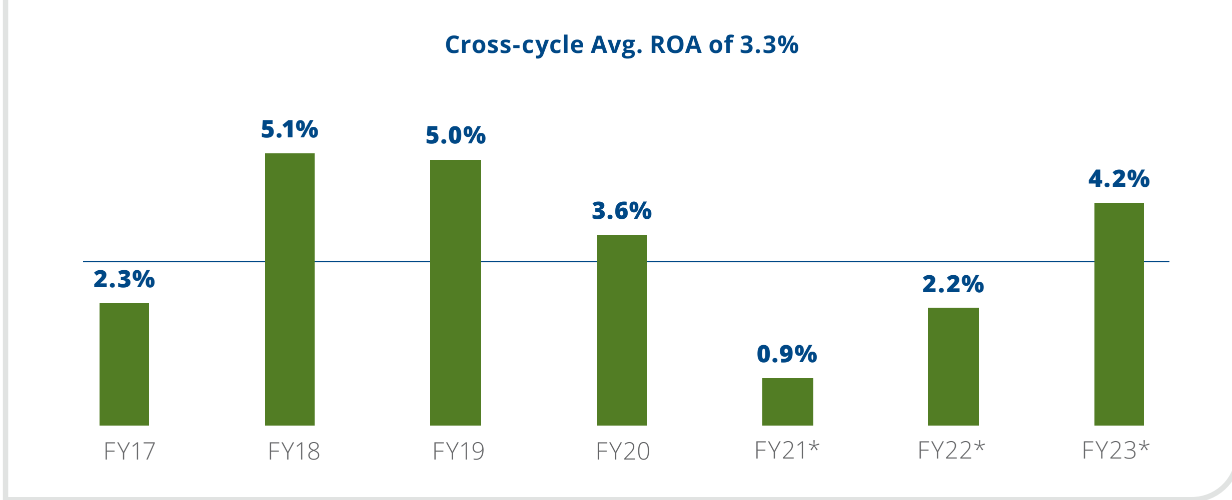
Pre-Provision Operating Profit (₹ Million)



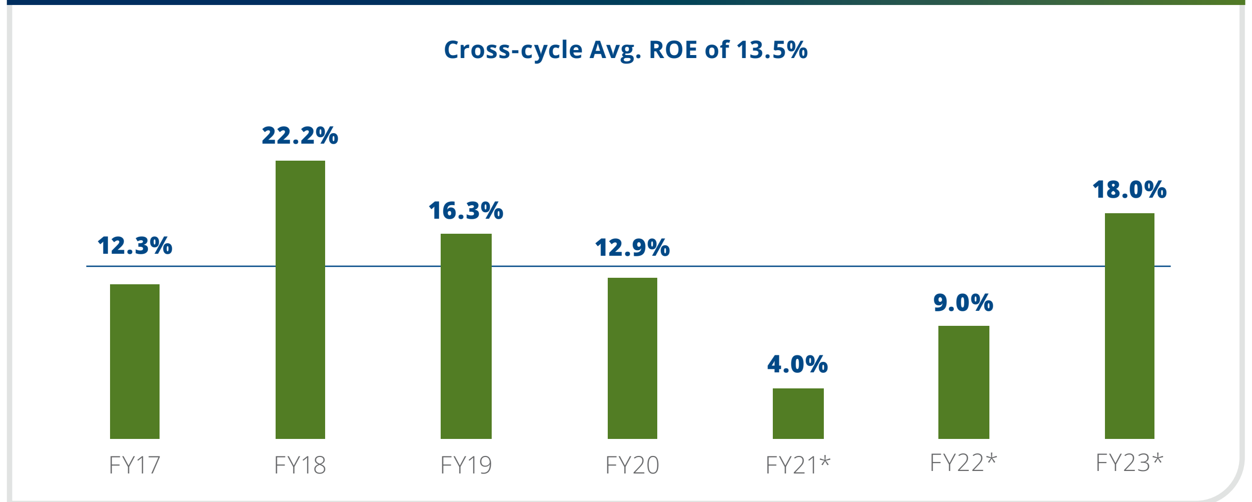
Profit After Tax (₹ Million)



Return On Assets %



Return On Equity %



* On consolidated basis

BUILDING STRATEGIES FOR FUTURE GROWTH

"Preparing For Long Term Scalable And Sustainable Growth"

What Makes Us Think Beyond Microfinance?

Our Vision

To be the preferred financial partner of indian households lacking access to formal credit, Providing convenient and reliable solutions matching their evolving needs

Regulatory Headroom

The head room of 25% assets under non-microfinance as mandated by the regulator, provides us the opportunity to diversify our lending portfolio into secured lending segments and improve the overall balance sheet stability

Investments In Place

Necessary investments already in place with 82 retail finance branches, technology, and separate workforce for end-to-end operations – sourcing, underwriting, collections, monitoring

Targeting To Cross ₹500 billion AUM Over Next 4-5 Years

1 Asset Strategy
- Share of microfinance AUM: 85-90%
- Share of retail finance AUM: 10-15% (60-65% secured loans)
- Growth Drivers: branches (8-10%), borrowers (10-15%), AUM (20-25%)

2 Liability Strategy
- Diversify across domestic and foreign sources
- Diversify across institutional and retail sources
- Strengthen credit ratings and ESG compliance

3 Technology Strategy
- Build inhouse development team
- Enhance tech scalability & high availability
- Enhance tech integrations for faster go-to-market
- Work on process automation / transformation
- Data automation / visualisation for better decisioning

4 Risk Strategy
- Implement rule engine, credit scoring models
- Automate risk management system
- Refine credit policy, build data granularity, adopt ICAAP

5 Internal Controls Strategy
- Automate internal audit system
- Implement integrated analytics, continuous monitoring and dashboards
- Increase collaboration with other control departments

MESSAGE FROM CHAIRMAN

"Maneuver Into Untapped Opportunities Backed By Execution Strength And Enduring Fundamentals"

GEORGE JOSEPH
CHAIRMAN & LEAD INDEPENDENT DIRECTOR

A solid foundation is the key for creating a successful business model. At CA Grameen, our determination to rise above all odds and remain faithful to our core values have helped us entrench our leadership status in the microfinance industry. This has helped us fortify the trust and confidence shown in us by our various stakeholders. FY23 has been a historic year as we surpassed a major milestone of ₹200 billion gross AUM. Our expansive presence across India, differentiated operating model, customised product offerings, highly scalable technology stack, experienced management team and execution strength, diversified liability profile, superior asset quality, and strong balance sheet place us at the forefront to drive the financial inclusion agenda. We continue to cement our leadership position and establish ourselves as the preferred financial partner to millions of underserved low-income households.

Further, we also successfully completed the CA Grameen's merger with Madura Micro Finance Limited with effect from February 15, 2023, duly approved by the National Company Law Tribunal (NCLT). This marks the successful culmination of "One Team One Dream" catapulting us into a strong collective force aligned with our vision.

We earmarked FY23 as the "Beginning of Microfinance 3.0" backed by strong regulatory support and offering immense growth opportunities to unlock India's rural financing potential. The harmonised microfinance guidelines aim to create a level playing field for all lending institutions, protect customer interest, and build robust credit underwriting based on the household income and indebtedness. The removal of the pricing cap and introduction of risk-based pricing will improve the cross-cycle profitability of microfinance institutions. Further, the sanction to build non-microfinance book up to 25% of total assets will add strength to the balance sheet and expand product offerings to fulfil the growing aspirations of low-income households. CA Grameen shall continue to remain competitive amidst the evolving regulatory environment whilst offering affordable financial solutions to our customers.

The last year saw CA Grameen winning various awards and recognitions which are a culmination of the efforts of our enthusiastic team. We were the only NBFC to feature in the "Top Five of the Fortune India Next 500 Companies". We bagged the prestigious "Breaking Ground in WASH Financing" Award at the Inclusive Finance Summit 2022 and were also awarded for the "Impactful Contribution In Financial Inclusion" segment by Elets Technomedia. We continue to be certified as a "Great Place to Work" for the fourth time in a row and ranked among India's Top 25 Best BFSI Workspaces in 2023 and among the Top 100 Companies in India.

The awe-inspiring and consistent efforts by the CA Grameen team over the past two decades are commendable. I would like to compliment the entire CA Grameen team and convey my best wishes to continue the excellent performance, make a big legacy and ultimately bring a positive impact to the society. I would also like to acknowledge the support and guidance by the governmental agencies, regulatory authorities, and our esteemed shareholders. We are really overwhelmed by their unwavering support and confidence in CA Grameen which will galvanize us to create new benchmarks in the field of responsible lending.

MESSAGE FROM MD & CEO

"Scaling Greater Heights & Setting New Benchmarks In The Microfinance Industry"

UDAYA KUMAR HEBBAR
MD & CEO

I am humbled and gratified to witness another successful year of all-round performance, reaching greater heights and setting new benchmarks in the microfinance industry. We are now entering our silver jubilee year and I take this opportunity to reflect back on the efforts of various stakeholders in building the organisation and thank each one of them for being a part of this incredible journey.

We have once again achieved our annual performance guidance, recording 26.70% YoY growth in AUM to ₹210.31 billion. We added over 1.23 million new customers in FY23 and recorded 88% customer retention, resulting in 11.52% YoY growth in our customer base to 4.26 million. We delivered a PAT of ₹8,260.60 million, ROA of 4.23% and ROE of 17.97%. We have been ahead of the industry in asset quality normalization. The sustained improvement in the return ratios was driven by the early implementation of new harmonisation guidelines, steady operating efficiency, strong control on borrowing cost, risk based pricing and lower credit cost. Our constant endeavour is to keep our interest rate to customers one of the lowest in the industry. The business model is based on the premise of providing suitable products, pricing and process to our customers which has always rewarded us. We are confident of delivering sustainable growth of 20-25%, aiming to cross ₹500 billion Gross AUM over the coming four to five years.

In line with our vision, we have now launched carefully chosen retail finance products namely individual unsecured loans for seasoned customers, mortgage-backed secured business loans, new two-wheeler loans, and gold loans. We also successfully piloted Hospicash (insurance) and AEPS-enabled cash withdrawal services for our customers. We shall soon be launching affordable housing loans in FY24. The initial signs show encouraging trends, marking the next phase of our growth journey. This strategically fits under the realm of meeting the entire household's financial needs and growing aspirations of our customers.

We achieved significant progress on our liability strategy by successful completion of the maiden public NCD issuance of ₹5 billion from over 7,200 investors across retail, HNI, non-institutional and institutional categories. We mobilised around USD 245 million in foreign funding from institutions like Blue Orchard, International Finance Corporation (IFC), HSBC (syndication facility), FMO Netherlands, OeEB Austria and the United States International Development Finance Corporation (DFC).

Our improved financial performance resulted in increased confidence exuded by credit rating agencies. India Ratings and ICRA upgraded us from A+ (Stable) to AA- (Stable) which is the highest standalone credit rating in the microfinance industry. Further, CRISIL revised our outlook from "Stable" to "Positive". Our inherent ESG adherence and strong compliance standards helped us to secure an ESG score of 14.8 with a "Low Risk" rating from Sustainalytics and an ESG score of 45 (91 percentile) in S&P Global's Corporate Sustainability Assessment. Our ESG rating fares better than many leading BFSI companies in India and across the world. We have also obtained Second Party Opinion from Sustainalytics on our Social Bond and Loan Framework in April 2023. All these developments will further strengthen our access to ESG-linked funds from global lending institutions.

On behalf of the Board, I thank all our stakeholders for their firm support and belief in us. Our customers, from whom we draw our strength, continue to remain the main source of our resilience narrative.

OUR COMPANY

CA Grameen is Bengaluru headquartered microfinance institution offering affordable financial products and services through the foundation of disciplined and responsible lending built over years. Our lending products cater to income generation, education, medical, festival, home improvement, water and sanitation, and emergency needs of our customers. We have enhanced our capabilities beyond solving basic credit needs to cover a wide range of financial and non-financial products. This includes individual unsecured business loans, mortgage-backed business loans, two-wheeler loans, gold loans, affordable housing loans, wage loss insurance, life insurance, and AEPS enabled cash withdrawal facility which is a true testament to the microfinance model going beyond the traditional credit delivery mechanism.

As of March 31, 2023, our operations span 14 states and 1 union territory with a strong network of 1,786 branches spread across 352 districts. We have an active borrower base of 4.26 million and a highly efficient workforce of 16,759, managing a gross AUM of ₹210.31 billion, making us the largest microfinance institution in India. Our Product, People and Process approach has helped us gain a competitive edge in all environments resulting in robust performance. We have created an ecosystem with high loyalty and stickiness making our work association more inclusive in nature.

Vision

To be the preferred financial partner of Indian households lacking access to formal credit, enriching their lives by providing convenient and reliable solutions, matching their evolving needs.

Mission

To be the preferred financial partner of 10 million low-income households lacking access to credit. To be a responsible, sustainable, and trusted provider of need-based financial and developmental services with benchmark efficiency, using technology and innovation to achieve the most affordable pricing.

Values

With the vision to enrich and enhance low-income households' well-being by providing need based microfinance, CA Grameen aims to create equal opportunities for both urban and rural low-income households. Offering a multitude of both financial and non-financial products to cater to the needs of the weaker sections of society, CA Grameen's products are conceived and updated based on customer and employee feedback. In an effort to enable economic and social change with our financial products and development services, we need to demonstrate our overarching principles of being committed, reliable, empathetic, accountable, transparent, efficient along with learning and agility.

CREDITACCESS GRAMEEN LIMITED
FORGING A PATH TOWARDS A STRONGER FUTURE | FY 2023

CA GRAMEEN BUSINESS MODEL

External Environment

- Financial inclusion
- Rural economic conditions
- Financial literacy
- Socio-political issues
- Digital literacy
- Climate changes
- Evolving customer behaviour
- Post-Pandemic recovery
- Technological changes
- Regulations
- Awareness on health & education
- Market forces

Inputs

Financial
- Diversified lenders base
- Longer tenure borrowings
- Cost of funds

Manufactured
- Pan India presence
- Deep rural penetration

Human
- Young workforce
- Rural recruitment
- Extensive training
- Employee retention
- Benefits & growth

Intellectual
- Stable & scalable technology infrastructure
- Risk management framework
- Risk based internal audit framework
- Prudential provisioning

Social and Relationship
- Customer engagement
- Community investment – CSR initiatives
- Investor/ lenders/ rating agencies engagement

Natural
- ESG loans
- GHG accounting

Value Creation Process

Strategic Priorities
- Most trusted financial partner of low-income rural under-banked households lacking access to formal credit
- Socio-economic catalyst in deep rural areas
- Expand branch network & replicate strong process, controls
- Deliver customer value with convenient products & services
- High levels of employee engagement and enablement
- Set industry benchmark in operating efficiency, customer & employee retention, asset quality
- Adopt relevant technology and innovative solutions
- Focus on ESG/ sustainable growth - both organic/ inorganic

Social Responsibility

Favourable work environment

C R E A T E

LEARNING AGILITY

Committed | Reliable | Empathetic | Accountable

Transparent | Efficient

Customer Centricity

Strong Governance

Our Vision
- One stop solution for all financial needs of the custmomers
- Sustainable loan products - Income generation, house repairs, water/ sanitation, education, medical, festivals, livelihood needs, emergency, business assets/ expansion
- Risk management, IT, customer feedback/ grievance, internal audit, quality control

Outputs

Financial
- AUM: ₹**210.31 billion**
- Active Borrowers: **4.26 million**
- PAT: ₹**8,260.60 million**
- ROA: **4.23%,** ROE: **17.97%**
- Opex/AUM: **4.74%**
- Capital Adequacy: **23.56%**
- Stable credit rating: **AA-/A1+**

Manufactured
- Number of states: **14 states and 1 UT**
- Number of branches per district: **5.07**

Human
- No. of employees : **16,759**
- % of women workforce: **11.44%**
- % of employees from local community: **96.57%**
- Number of manhours of training: **1.99 million**
- Average training hours per employee (including pre-hires): **74 hours**

Intellectual
- Number of products per customer : **1.6**
- Customer retention rate ***: **88%**
- New customers digitally onboarded: **1.23 million**
- **10,109 branch** audits performed

Social and Relationship
- % of women borrowers: **99.99%**
- Total CSR Spend: ₹**115.31 million** supporting **287,123** beneficiaries

Natural
- % of ESG loans: 100%
- Total scope emissions (tCO2e) ***: 13,580
- Emissions intensity (tCO2e/ FTE)***: 1.00

SDG

1 No Poverty; 2 Zero Hunger; 3 Good Health and Well-being; 4 Quality Education; 5 Gender Equality; 6 Clean Water and Sanitation; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 10 Reduced Inequalities; 12 Responsible Consumption and Production; 13 Climate Action

Outcomes

Customers
- Access to need-based credit
- Improved income
- Improved quality of life

Employees
- Skilled employees with internal growth opportunities
- Healthy life and financial security

Shareholders
- Sustainable business model
- Superior growth, profitability, RoI

Regulators
- Compliance
- License to operate

Financial and Associated Risks

Net Interest Income from loan, insurance and NPS activities, bad debt recovery

Staff costs, employee benefits, operating and non-operating expenses

Dividends and Retained Earnings

Direct and Indirect Tax

- Credit Risk
- Insurance Risk
- Market Risk
- Operational Risk, including compliance, environmental and/or social risk
- Interest risk rate
- Funding and liquidity risk
- Business and reputational risk

***The KPI is computed for 74% of branches (81% of employees, 80% of customers), excluding the branches acquired from Madura Micro Finance Limited subsequent to its merger with the Company in February 2023.

CORPORATE GOVERNANCE

"Organisational Culture Deeply Imbibed With Strong Ethics, Responsible Conduct, Transparent Processes, And Sense Of Accountability Towards All Stakeholders"

We remain committed to nurturing an organisational culture where every employee is cognizant of practicing strong business ethics, demonstrate responsible conduct towards customers, co-workers and other stakeholders. We strive to maintain the highest levels of transparency and feeling the sense of accountability and ownership towards organisational duties and responsibilities. We have a strong Board of Directors and Supervisory Committees who play an important role in identifying, mitigating, and managing key risks, monitoring performance, and fulfilling the stakeholder demands.

We collaborate with several associations to understand industry-wide issues. For more details, refer Business Responsibility and Sustainability Report, Page 123. In FY23, there were no financial and in-kind political contributions made by us.

25 %
of the board members are women

50%
of the board members are independent

4.3 years
average tenure of the board

Committees of the Board

The Board has inter-alia constituted the below named committees as required under the CA 2013, Listing Regulations and RBI Guidelines to delegate particular matters that require greater and more focused attention in the affairs of the Company.

Board of Directors

George Joseph
Chairman and Lead Independent Director

Paolo Brichetti
Vice-Chairman and Non-Executive Director

Udaya Kumar
Managing Director and Chief Executive Officer

Sumit Kumar
Non-Executive Director

Massimo Vita
Non-Executive Director

Manoj Kumar
Independent Director

Lilian Jessie Paul
Independent Director

Rekha Warriar
Independent Director

Our Management Team / Functional Heads

Udaya Kumar Hebbar
Managing Director & Chief Executive Officer

Ganesh Narayanan
Deputy CEO & Chief Business Officer

Balakrishna Kamath
Chief Financial Officer

Gururaj K S Rao
Chief Audit Officer

CREDITACCESS GRAMEEN LIMITED
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Firoz Anam
Chief Risk Officer

Sudesh Puthran
Chief Technology Officer

Narayanan M.
Chief Integration Officer

M. J. Mahadev Prakash
Company Secretary & Chief Compliance Officer

Ravi Rathinam
Chief Information Security Officer

Gopal Reddy
Business Head - Group Lending

Srivatsa H N
Business Head - Group Lending
Head – Retail Finance

Manjunatha
Business Head - Group Lending

Venkat-Naik
Business Head - Group Lending

Arun Kumar B
Head – Strategy, Innovation & Analytics

Sundar Arumugam
Head – Digital Lending & Retail Finance Products

Nagananda Kumar K N
Head – Centralised Operations

Haridarshini A
Head - Operational Excellence

Nilesh Dalvi
Head – Investor Relations

Manian RHS
Head - Human Resources

Next Level Leadership


Praveen Kumar H I
Vice President


Chandrakanth S
Vice President


Katta Murali
Assistant Vice President


Shivakumar M S
Assistant Vice President


Piyush Saraogi
General Manager


Bhavish Tulsian
General Manager


Marina Alex
General Manager


Jagadeesh B G
General Manager


K M Jayaprakash
General Manager


Manjunatha D.R
General Manager


Vishwanatha H K
General Manager


Murari Kumar Jha
General Manager


Ranjan Kumar Kar
General Manager


Reshma Mahaboob
General Manager


Chandradas K
General Manager


Srinivasababu Saheb N
General Manager

CREDITACCESS GRAMEEN LIMITED
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Mohan Naidu
General Manager


Lokesh M K
General Manager


Sudharkar Rao Ambeer
Deputy General Manager


A Bhuvaneswara Prasad
Deputy General Manager


Srinivas Reddy
Deputy General Manager


Anand R
Deputy General Manager


Srinivasa Anjaneya Reddy Meka
Deputy General Manager


Arunkumar J
Deputy General Manager


Bharath B S
Deputy General Manager


Cornelius Kamalesh C
Deputy General Manage


Gorijavaram Satish
Deputy General Manager


Kalpana A Muddebihal
Deputy General Manager


Loyal Josly Quadras
Deputy General Manager


Mahesh K T
Deputy General Manager


Mohiuddin Tanveer
Deputy General Manager


Palaniyappan
Deputy General Manager

Next Level Leadership

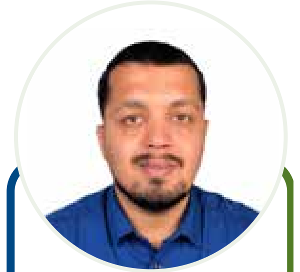
Prabhu P
Deputy General Manager

Revinath G
Deputy General Manager

Rohit Raj
Deputy General Manager

Shirralan T
Deputy General Manager

Gunjan Vijayvergiya
Deputy General Manager



Sudesh Mallya S
Deputy General Manager

Sujay C T
Deputy General Manager

Thimmappa M
Deputy General Manager

Veena Sujay Narayan Rao
Deputy General Manager

Venkatesh P
Deputy General Manager

Muthuraju H
Deputy General Manager

Ningegowda K N
Deputy General Manager

Shivalingaiah H K
Deputy General Manager

Suryawanshi Kailas Laxman
Deputy General Manager

CREDITACCESS GRAMEEN LIMITED
FORGING A PATH TOWARDS A STRONGER FUTURE | FY 2023

Robust ESG Policy Framework

- Environmental, Social, Governance Policy
- Business Continuity Policy
- Corporate Social Responsibility Policy
- Environmental and Social Management System (ESMS) policy
- Board Diversity and Inclusion Policy
- Employees Code of Conduct Policy
- Energy ManagementPolicy
- Whistleblower Policy
- Remuneration Policy
- Waste Management Policy
- Tax Policy
- Vendor Management Policy
- Risk Management Policy
- Corporate Governance Policy
- Non-Discrimination and Anti-Harassment Policy
- Anti-Bribery Policy & Anti-Corruption Policy
- Gender/Equal Opportunity Policy
- Prevention of Sexual Harassment (POSH) Policy
- Anti-Money Laundering, Anti-Terrorism Financing Policy
- Human Rights Policy
- Client Data Privacy Policy
- IT/Cyber Security Policy

ESG Global Ratings & Accreditations

On the back of inherent business strengths, robust compliance and a comprehensive policy framework, the Company has received global ratings and accreditations on our ESG standards.

Sustainalytics ESG Risk Rating

In March 2023, the Company received an ESG Risk Rating of 14.8 and was assessed by Sustainalytics to be at "Low Risk" of experiencing material financial impacts from ESG factors

Rated

MORNINGSTAR | SUSTAINALYTICS

S&P Global ESG Risk Rating

45/100

Ranked in 91st percentile as of February 17, 2023

As of February 17, 2023, our Company performed in the top decile in the Diversified Financial Services and Capital Markets Industry in the S&P Global Corporate Sustainability Assessment.

S&P Global

Second Party Opinion From Sustainalytics on Social Bond & Loan Framework

Sustainalytics is of the opinion that the Company's social bond and loan framework is credible and impactful and aligns with the social bond principles 2021 & the social loan principles 2023. The Company's social bond and loan framework mandates the use of proceeds for i) employment generation, small & medium enterprise financing, ii) businesses co-developed and co-managed by women, iii) businesses located in rural /semi-urban areas of India, iv) affordable housing.

Second-Party Opinion

Reviewed by:

MORNINGSTAR | SUSTAINALYTICS

Gold Level Client Protection Certification

The Company has been certified with the highest level of recognition, Gold Standard in Client Protection Principle (CPP) certification by M-CRIL Limited. This is a testament to the conscious effort made by the institution to provide affordable products and services to its clients over years and be a responsible lender to the bottom of the pyramid.

M-CRIL

CLIENT PROTECTION CERTIFICATION

Issued to:

CreditAccess Grameen Limited

No. 49, 46th Cross, 8th Block, Jayanagar
Bengaluru 560 070, Karnataka, India

CreditAccess Grameen Limited has been awarded the Gold Level Certification according to the new Client Protection Certification Framework promoted by SPTF and CERISE.

Certified by M-CRIL Limited
Level of compliance: Gold
Issue date: 06 June 2022

Arpita Pal Agrawal
Managing Director

STAKEHOLDER ENGAGEMENT

"Aligning Business Strategy With Stakeholder Perspectives & Expectations"

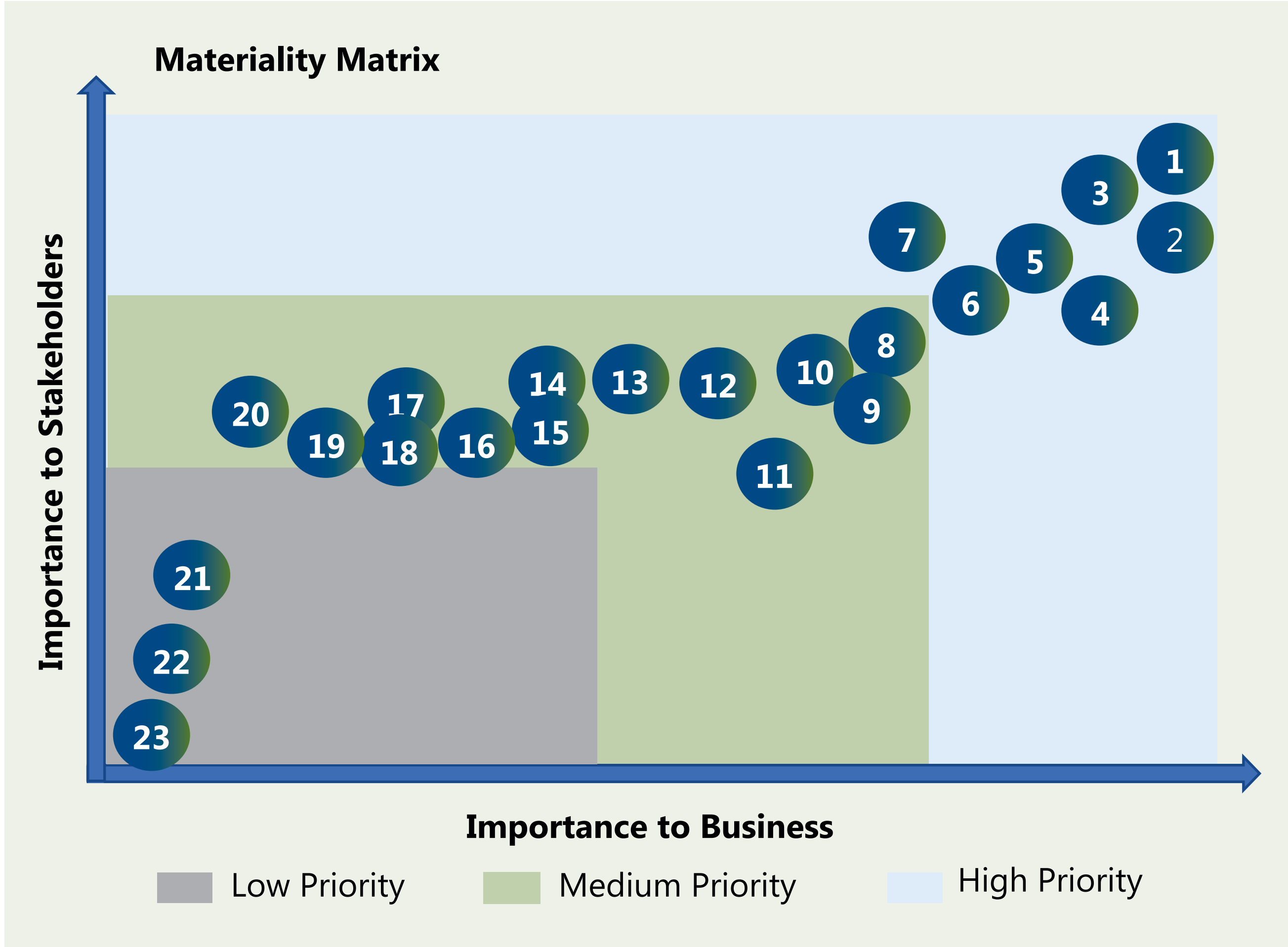
We actively engage with our stakeholders to understand their issues, needs, and concerns across the ESG spectrum. We have dedicated stakeholder engagement mechanisms to ensure inclusive, transparent, and accountable interactions. We take active stakeholder feedback to orient our business strategies and measure their impact at the grassroots level. We regularly gauge and assess the Company's brand and reputational perception among the stakeholders. We nurture a deep sense of trust and partnership with our stakeholders to achieve our organisational goals and drive sustainable value creation for all our stakeholders.

Stakeholder Group	Modes of Engagement	Frequency of Engagement	Purpose & Scope of Engagement
Customers	• Centre Meetings • House Visits • SMS • Audio/Video Messages • Pamphlets • Notice Board • Interaction at Branches • YouTube Channel (Grameen Koota Jagruti) • Outbound Calls • External Surveys	Weekly	• Understanding customer's financing needs • Tracking local issues & concerns • Conducting social awareness initiatives for educating customers
Local Communities	• Newspaper • Pamphlets • Meetings	Continuous Basis	• Undertaking various support initiatives as part of the Company's CSR program
Employees	• Internal Newsletters • Communication Circulars • Trainings • Supervisory Interactions • Scheduled Visits • Focused Group Discussions & Surveys	Continuous Basis	• Continuous development • Alignment of organisational objectives • Operational awareness
Shareholders Lenders Investors Regulators Credit Rating Agencies Credit Rating Agencies	• Meetings • Calls • Website • Newspaper • Email	Quarterly / Need-based	• Updating on business performance and outlook • Financial results, industry developments • Addressing key issues & concerns

MATERIALITY ASSESSMENT

"Understanding Key Stakeholder Issues and Being Responsive"

The materiality assessment exercise has enabled us to identify the organization's material topics, prioritize them and align the same with our strategic focus and the future scope of our business operations. We are also in pursuit of unlocking any synergy among the priority material topics and maximising value creation for the Company and the stakeholders.



	Material Topics	Impact on Capital
1	Corporate Ethics and Integrity	All
2	Positive Customer Experience	Social and Relationship Capital
3	Regulatory Compliance	All
4	Economic Performance	Financial Capital
5	Governance Risk Management	All
6	Brand and Reputation Management	Social and Relationship Capital
7	Data security and privacy	Intellectual Capital, Social and Relationship Capital
8	Sustainable Business Strategy	All
9	Financial Inclusion	Social and Relationship Capital
10	Employee Training and Development	Social and Relationship Capital
11	Social Credit Rating	Financial Capital
12	Employee Health and Well being	Social and Relationship Capital
13	Innovative products and services	Intellectual Capital
14	Digitization	Intellectual Capital
15	Financial Literacy	Social and Relationship Capital
16	Local Employment generation	Social and Relationship Capital
17	Community Development	Social and Relationship Capital
18	Human Rights	Social and Relationship Capital
19	Equality and Diversity	Social and Relationship Capital
20	Positive E&S Impact of Products/ Services	Social and Relationship Capital, Natural Capital
21	Effect of climate change on Debt	Financial Capital
22	Climate Change and GHG emissions	Natural Capital
23	Waste Management	Natural Capital

Environment	
Social	
Governance	

BUSINESS STRATEGY

"Build High-touch High-tech Business Model To Enable Scalability And Long-term Sustainable Growth"

In line with our vision, we aim to focus on responsible lending and create a long-term positive impact at the bottom of the social pyramid by offering customised products and services, matching our customers' evolving needs. Our strategy primarily focusses on i) enhancing the customer household value, ii) improving the employee formative journey through various development, growth and upskilling initiatives, iii) investing in process transformation, automation and digitalization of workflows for simplifying the user experience, iv) building strong organisational culture aligned with the Company's strategic growth objectives.

Product Strategy

Our product strategy largely revolves around understanding the customer's typical financing journey which evolves from financing for business or income generation activities to financing for asset ownership to financing for a better lifestyle. The focus remains on enhancing the customer experience and convenience. We shall continue to focus on rural and semi-urban markets with an emphasis on robust customer acquisition and a consistent increase in our market share.

In the case of microfinance group loans, the focus is on increasing customer awareness around various lifecycle products and enhancing the product features basis the customer feedback and usage. We aim to leverage data analytics for improved customer targeting. We also focus on increasing customer retention by offering them alternative products meeting evolving requirements. Alternate communication channels shall be explored to address customers' needs instantly and effectively.

Retail finance loans are offered to select customers with a good credit history and a better business income, asset ownership or higher aspirations. We target existing customers with more than two years of vintage, having multiple income sources and income over ₹0.3 million to offer them individual unsecured business loans. For larger business requirements, we offer mortgage-backed business loans. We also offer new two-wheeler loans and gold loans to our existing customers. Affordable housing loans will be launched in FY24 to meet the increasing demand and aspiration for home improvements, new purchases or self-construction. For all retail finance products, the thrust is on leveraging our large customer base, strong microfinance eco-system and extensive field force to generate strong referrals and leads. While individual unsecured business loans, two-wheeler loans and gold loans are offered to only existing customers, mortgage-backed business loans and affordable housing loans are offered to both existing and new customers.

Pilot launch of retail finance products:

As on FY23, individual unsecured business loans AUM was ₹856 million	As on FY23, mortgage-backed business loans AUM was ₹531 million	As on FY23, new two-wheeler loans AUM was ₹37 million	As on FY23, gold loans AUM was ₹19 million

We also aim to offer non-credit solutions to our existing customers, which include insurance, cashless/digital services as well as savings/investments. Currently we have launched Hospicash (wage-loss insurance) and Two-wheeler insurance. We are also evaluating relevant Mediclaim products for comprehensive health coverage and asset insurance to protect our customers assets from various risks. We offer UPI based cashless repayment options to our customers. We have also launched AEPS enabled cash withdrawal service at the centre meeting location. We are currently working on identifying suitable savings/ investment products for our customer segment.

People Strategy

Our resilient business model is highly people-oriented and requires extensive engagement between the customers and our employees. Hence, our people strategy involves key focus areas including talent acquisition, capability building, people management, and employee retention. We have a very robust talent acquisition process which involves hiring fresh employees from rural communities and providing them with adequate training on company policies , business processes and culture. There are various physical and digital training and workshops conducted for building staff capabilities. Investing in a robust human resources management system, ensuring gender diversity, employee wellness and strong management team connect with the field employees is key for effective people management. There is a strong emphasis on employee retention which is crucial for maintaining consistent service quality, controls and operational efficiency.

Process Transformation Strategy

Our process transformation strategy is based on the field-first principle in order to increase efficiency, productivity and scalability, and redefine the user experience journeys impacting all the touchpoints with customers. We aim to explore various cashless repayment channels for all individual loan products. We continue to focus on a simplified user experience with enhanced mobility solution and the unification of various workflows and processes in a modular form. We aim to implement robotic process automation to reduce manual tasks. Enhanced digitisation will help with improved customer profiling for effective cross-selling, automated dashboards for better decisioning, and improved business forecasting and risk modelling.

Data Transformation Strategy

Our data transformation strategy will focus on leveraging data for efficient business decisions. We aim to build strong customer household understanding by integrating household income data and indebtedness data from credit bureaus. There will be a strong thrust on product analytics and data analytics for product campaigning, customer targeting and cross-sell opportunities. We will improve data visualisation to enhance management-level dashboards and real-time performance dashboards for field executives. We aim to develop enhanced forecasting and modelling techniques including predictive analytics for customer behaviour.

Technology Strategy

Technology is a key enabler in microfinance and hence a robust technology strategy is crucial for achieving scalability, stability and operating efficiency. This requires improved infrastructure and high system availability to ensure all business applications are scalable. Further, strong integration capabilities at scale are required for high volumes of transactions and faster go-to-market strategies. We aim to focus on building agile technology which is highly responsive to evolving business requirements. Enterprise service bus will be a strong foundation for the digital ecosystem. We shall leverage API banking to improve customer insights, personalization and customed product and service offerings.

Risk Management Strategy

A highly resilient business model in the field of microfinance requires risk management mechanisms to be integrated across all operational processes. The risk management system needs to be highly responsive and adaptive to dynamic external environments and evolving operational challenges. We have been proactively taking various initiatives in line with the best practices and operating environment towards the enhancement of risk management. With the growth in business volumes, the introduction of innovative products and services, it is highly imperative for us to build robust risk management practices.

We are taking various initiatives on integrated risk management within our organisation. We are working on implementing a rule engine enabling agile credit underwriting while leveraging the power of data analytics. This will also help us in developing bespoke credit scoring models for new products and services. Adhering to the revised microfinance guidelines laid down by RBI, we are exploring various methodologies for robust income estimation using analytical approach. With expanding the scope of product and service offerings, we work towards constant refinement and addition of granularity to product-level credit policies for efficient credit decisioning within acceptable tolerance limits. We are also working on the implementation of the internal capital planning and assessment framework in line with the regulatory requirements. We are implementing a risk management system that will help us in the automation of various risk management processes. We are also actively working on building data around climate risk to manage its impact on portfolio growth and quality.

Core Risk and Approach to Mitigation

Risk	Context	Mitigation Plan	Capitals Impacted
Credit Risk	Defaulting or non-repayment of loan by a borrower, leading to monetary loss to the Company	The Company ensures the required expertise to develop systems, procedures, and tools to effectively manage credit risk. The Company also specifies the acceptable level of risk-reward trade-off for various products and activities. This includes the identification of target markets, sectors, geographies, preferred diversification and concentration levels, cost of capital in granting credit, and cost of bad debts. Risk management guidelines issued by RBI and SROs (MFIN) continue to act as a guiding factor while formulating and implementing the risk system.	
Liquidity Risk	Maintaining a sufficient liquidity buffer on a continuous basis to fulfill immediate obligations including debt repayments and committed loan disbursals. Basel III norms mandate sufficient liquidity to meet obligations over 30 days.	The Company adheres to the tolerance and prudential limits for structural liquidity under different time buckets as prescribed in the Board-approved ALM policy.	
Interest Rate Risk	This arises on account of interest rate related fluctuations which could have a potential impact on earnings if the assets and liabilities have a mismatch in tenure.	As per RBI regulation, the Company can adopt risk-based pricing based on its own cost of funds, operating costs, liquidity carry cost and business risk premium. As a result, the interest rate risk is significantly mitigated.	

Financial Capital
Social and Relationship Capital
Manufactured Capital
Natural Capital
Human Capital
Intellectual Capital

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Risk	Context	Mitigation Plan	Capitals Impacted
Currency Risk	The Company may borrow in foreign currency from institutions abroad and such borrowing exposes the Company to risk as loan assets are in Indian Rupees.	The Company's business mandate does not involve actively seeking profit opportunities from speculative trading in foreign currency. The Company is not authorized to maintain a proprietary trading book in short-term foreign currency instruments. Any foreign currency transaction must display a clear linkage to the client-related business. All foreign currency borrowings are completely hedged against foreign exchange risk.	
Operational Risk	Risks emanating from a range of sources including processes, people, systems, external events can lead to a substantial drag on earnings or threaten solvency in rare cases. The type of major loss events would include frauds, misappropriations, personal transactions, robberies, business disruptions and system failures, damage to physical assets, loss arising due to failed execution of processes or products.	The Company has developed a risk and control self-assessment (RCSA) process for identifying, assessing, and evaluating operational risks. Well-defined KRIs and internal/ external loss events are captured and reported on a regular basis. CA Grameen ensures the efficacy of controls for operational risk by including internal controls, training, insurance, fraud monitoring, IT systems and security, and business continuity planning. The field risk team supports the business teams by conducting investigations of major frauds and PAR events in the field, assess gaps in underlying controls, and recommend improvements in controls.	

Risk	Context	Mitigation Plan	Capitals Impacted
IT Risk	The company depends on technology intensive information systems to carry out its mission and business functions. Information systems are subject to serious threats that can have adverse effects on organizational operations, assets and individuals by exploiting both known and unknown vulnerabilities to compromise the confidentiality, integrity, or availability of the information being processed, stored, or transmitted by the systems.	Acceptable usage of the Company's IT setup is published and shared with all employees as well as third-party service providers. Periodic training and awareness are given to individual employees on Information security and Cyber security. Endpoint Security is installed in the employee's workstation and IT setup of data centres. There is a clear segregation of IT setup between production, pre-production and UAT (user acceptance testing) environments. Periodical access review is done both for end users as well as IT users. Changes in production IT setup are monitored and reviewed periodically. Inclusion of SLAs in agreement with vendors as per business requirements and regular monitoring of SLAs. Multiple ISPs for High Availability and monitoring. Periodical governance meetings with 3rd party suppliers. DR site is implemented with live data replication, a data backup solution in place with a regular review process. Company has deployed a security operations center (SOC) that monitors cyber security threats on a real time basis, conducts regular vulnerability assessment, penetration testing and patch management. Physical security is deployed as per ISO 27001:2013 at data centres.	

Risk	Context	Mitigation Plan	Capitals Impacted
ESG Risk	ESG risks include those related to climate change impacts mitigation and adaptation, environmental management practices and duty of care, working and safety conditions, respect for human rights, anti-bribery and corruption practices, and compliance to relevant laws and regulations. For us, these risks include • Delayed and uneven rainfall, extreme weather events and climate change leading to inconsistent rural output and vulnerability • Change in customer behaviour due to social-political changes • Over-leveraging in certain geographical areas • Increasing competition leading to diverse lender practices impacting customer credit behaviour and discipline • Decreasing soil productivity impacting agri-dependent activities • Customer migration to cities • Regulatory risks	The Company primarily focusses on deep rural markets where the penetration and competition are relatively lower compared to urban and semi-urban markets. The JLG model of lending functions more effectively in rural markets where the borrowers know each other very well and can drive better group credit discipline. CA Grameen's weekly meeting model helps in maintaining strong customer relationships, better control and early risk identification. CA Grameen's contiguous district-based expansion strategy helps in better understanding and mitigation of risks on account of socio-political factors, overleveraging, competition etc. The majority of the Company's borrowers are engaged in essential activities, primarily dependent on local demand/ supply forces. This segment of customers borrow for livelihood supporting activities and has the ability to display strong resilience to external disturbances and faster recovery. CA Grameen conducts business in compliance with the MFI regulations stipulated by RBI and is also governed by guidelines issued by SROs. CA Grameen actively engages in CSR activities that go a long way in mitigating social and governmental risk. CA Grameen provides training and awareness among loan officers to avoid lending to "polluting" industries and avoid lending to activities employing "child labour".	

Financial Capital
Social and Relationship Capital
Manufactured Capital
Natural Capital
Human Capital
Intellectual Capital

Internal Controls Strategy

CA Grameen's internal control structure is built on a solid three line defence structure. The first line of defence consists of the business team who works closely on the ground, regularly engaging with the customers and end communities. The business team is complemented by a quality control team, also known as the business support team, which reports to the zonal heads. The quality control team oversees the continuous, proactive and comprehensive review of processes, documentation and information in the field. This team consists of 340+ experienced staff sourced from branch operations. The second line of defence is the 67+ field risk team which monitors the operational risks, identifies early warning indicators, and potential internal and external risks. The third line of defence is the 320+ internal audit team acting as a strong guardrail for our business. The internal audit ensures continuous adherence to the systems, policies and procedures, basis 154 checkpoints across 12 key audit parameters.

The Company is working on transforming the internal risk based audit function through integrated technology, analytics-driven and collaborative approach. We are currently implementing an automated audit system for the entire audit life cycle management. This will be followed by the implementation of integrated analytics and dashboards and the upgradation of the field monitoring application. Our analytics-driven approach will enhance risk identification, audit coverage, processes, sample selection, and increase efficiency. We plan to adopt an approach of continuous monitoring by leveraging data analytics for risk insights and control effectiveness. We plan to make the internal audit process more collaborative by integrating with risk management, compliance, and Information Technology / Information Security systems.

FINANCIAL CAPITAL

"Conciously Laying The Framework For A Sustainable Growth Path"

FY2023 KPIs

Total Income **₹35,507.90 million**	Pre-Provision Operating Profit (PPOP): **₹ 15,064.45 million**	Profit After Tax (PAT) **₹8,260.60 million**
Return on Assets (ROA) **4.23%**	Return on Equity (ROE) **17.97%**	Liquidity **₹ 18,909.57 million of cash & cash equivalents amounting to 8.65% of total assets**

Debt capital raise **₹ 134,323.95 million**	Capital Adequacy **23.56%**	Debt/Equity*** **3.19**	Strong Credit Rating **AA- / A1+**

*** Equity includes equity share capital and other equity (refer note 19 and 20 respectively in the Consolidated Financial Statements)

Interlinked SDGs

Our differentiated business model aims to bridge the credit gap in rural and semi-urban India and empower financial and social lives for women

Strategic Focus

To build a sustainable and profitable business model to create both short-term and long-term value for all the stakeholders

Future scope

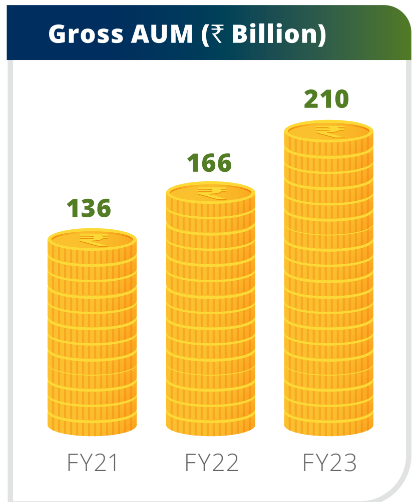
Achieve well-diversified base of lenders and investors across the world, incorporating ESG into the financial decision making

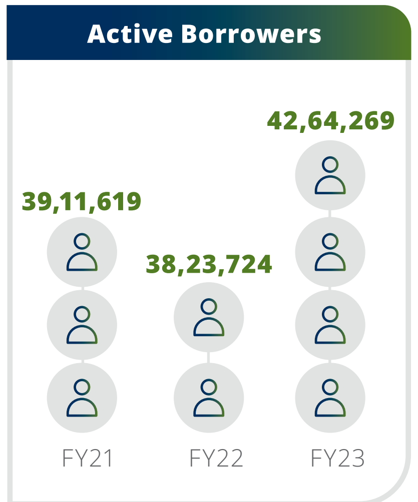
Our endeavour to build a solid foundation by offering the most affordable and suitable products is driven by the degree of financial resources management. We are moving from solving basic credit needs towards a wide range of financial needs through our retail finance products. We aim to grow our portfolio consistently at 20-25% CAGR in the coming five years, which largely depends on the strength and scalability of our liability profile.

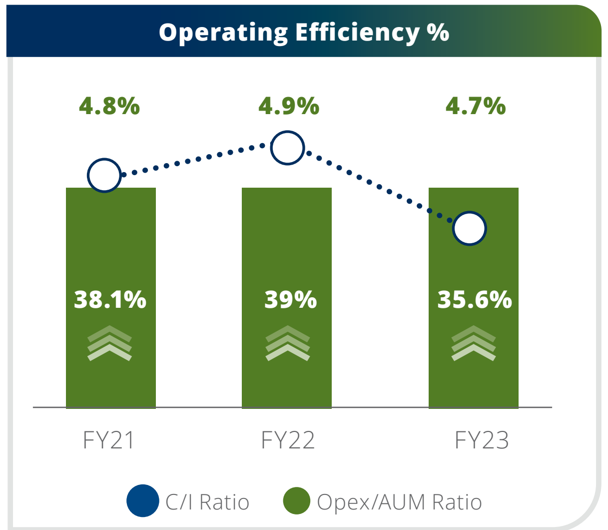
We have designed a careful and calibrated approach to building a stable, long term and diversified liability profile by looking at our strategic objectives. This will complement our unique business model approach catering to millions of unserved and underserved women borrowers in rural India and generating expected returns for all stakeholders. We keep track of several relevant KPIs such as Gross AUM, PPOP, PAT, ROA, ROE, etc., to ascertain the financial health of our operations.

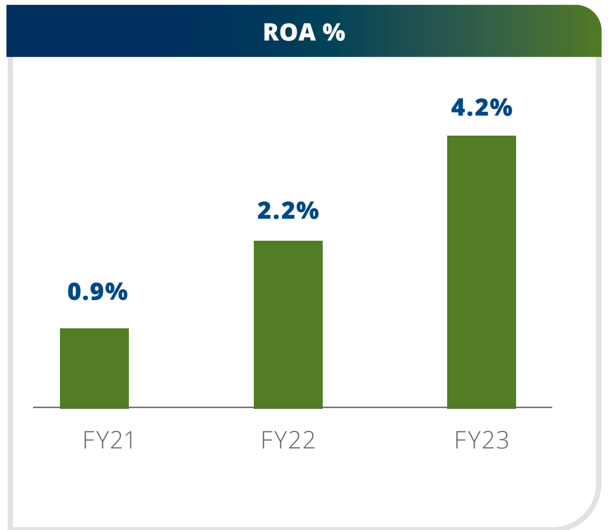
Healthy Growth & Pristine Asset Quality Resulting in Excellent Operational Profitability

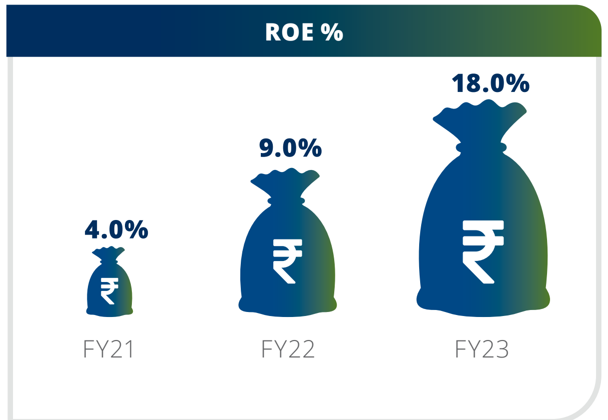
The Company has successfully achieved its FY23 performance guidance given at the start of the financial year reflecting our model's resilience. The Company's focus remained on driving calibrated portfolio growth led by new borrower additions. The Company registered a 26.70% growth in gross AUM to reach ₹210.31 billion with an active borrower base of 4.26 million. The Company recorded the highest total income of ₹35,507.90 million and Pre-Provision Operating Profit of ₹15,064.45 million during FY23. Consolidated Profit after Tax increased by 133.96% to reach ₹8,260.60 million in FY23.

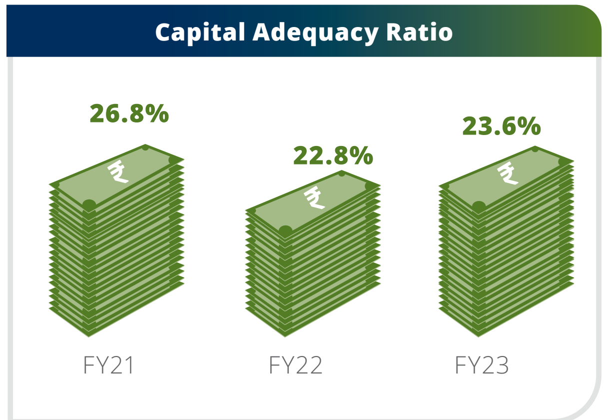


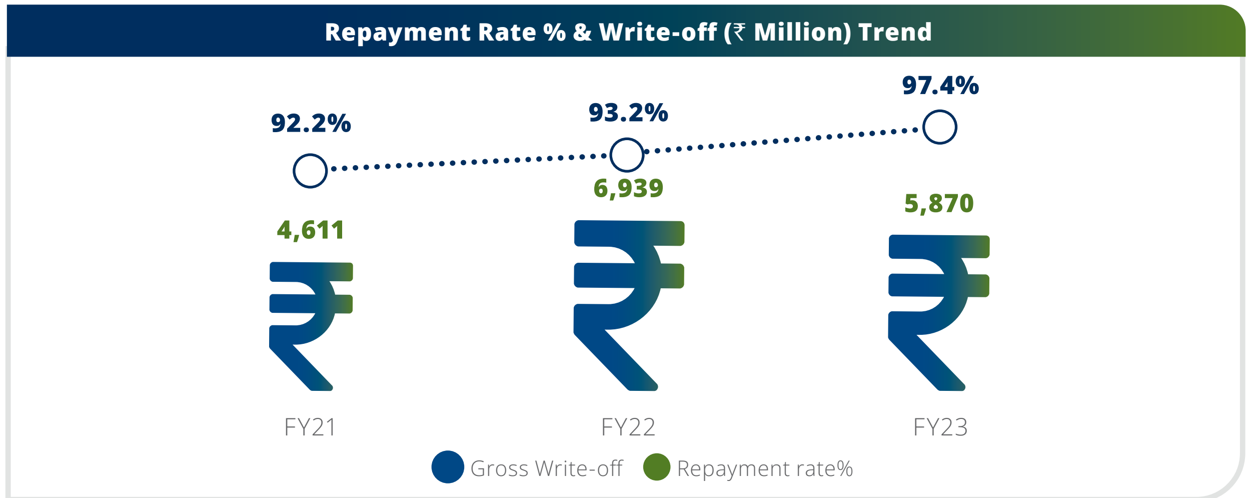












Note:
1) Gross AUM represents the aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets under management which includes loan assets held by the Company as of the last day of the relevant period as well as loan assets which have been transferred by our Company by way of securitization or assignment and are outstanding as of the last day of the relevant period, excluding the Ind-AS adjustments.
2) Opex/AUM ratio = Operating costs/ quarterly average Gross AUM. Operating costs include fee and commission expenses, employee benefits expenses, depreciation and amortization expenses, and other expenses. Quarterly average AUM considered is the average of Gross AUM of the last 5 quarters.
3) ROA = PAT/Average. Quarterly Total Assets (including direct assignment sold portion), ROE = PAT/Average Quarterly Total Equity.
4) Since there was a loan moratorium applicable from Apr-20 to Aug-20, the FY21 repayment rate is calculated over September 01, 2020 to March 31, 2021.
5) Cost to Income ratio = Operating Cost (Fees & Commission + Employee Benefits + Depreciation + Other Expenses) / Operating Income (Net Interest Income + Other Income).
6)) Repayment rate = Total Recovery (excluding arrears) / Total dues from customers

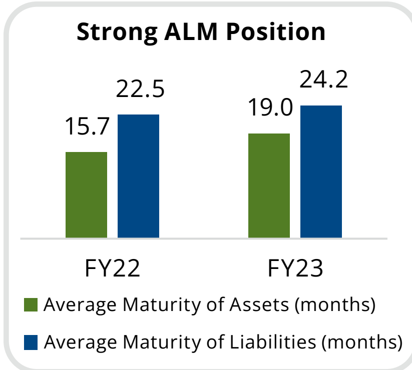
Our ethos of sticking to the basics via strong customer engagement, weekly connect, and rural focus led by a seasoned management team has helped us maintain pristine asset quality. Our collection efficiency is amongst the best in class supported by our robust operating processes and controls. We are confident of maintaining the same trend as we further scale our business in the coming years.

CA Grameen

Asset Quality (% of Gross AUM)	FY2021	FY2022	FY2023
PAR 0+ %	6.67%	4.87%	1.49%
PAR 60+ %	4.03%	3.15%	1.09%
PAR 90+ %	3.21%	2.71%	0.96%

Asset – Liability Management

A smooth continuity of any lending business hinges on strong liquidity and the extent of positive asset-liability mismatch. In the microfinance lending model, term loan from banks (PSL funding) forms a major part of the funding which is co-terminus in nature meaning the tenure of assets and liabilities is largely the same. To increase the positive mismatch, it is prudent to look for alternative sources of financing beyond term loans to protect against any crisis. At the end of March 2023, the average maturity of liabilities stood at 24.2 months while the average maturity of assets stood at 19.0 months, a 5.2-month positive mismatch reflecting the efficiency built. The Company regularly conducts stress test analysis to guard against potential negative externalities.



Strong Credit Ratings

The financial year 2022-23 was pivotal for the Company from the credit rating viewpoint as it saw major upgrades from leading credit rating agencies in India. Ind-Ra and ICRA upgraded us from A+ (Stable) to AA- (Stable), which is the highest credit rating for any standalone microfinance institution in India. Further, CRISIL revised the outlook from 'Stable' to 'Positive'. This was a result of our excellent cross-cyclical performance, consistent support from the promoter, strong capital adequacy, and continuous decline in state-wise and district-wise concentration risk. As we have ushered in a new phase of growth with harmonised microfinance guidelines, we strive to maintain the highest level of ratings and disclosures.

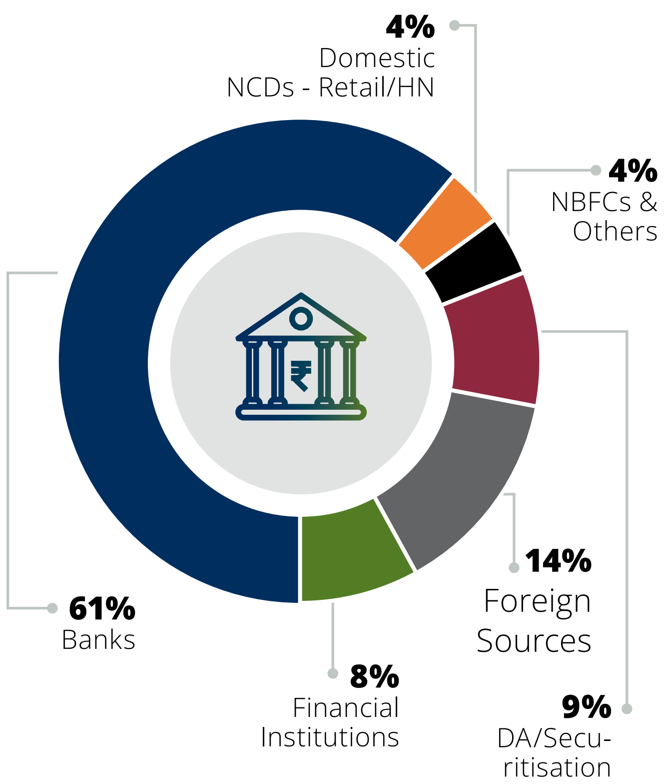
Rating Instrument	Rating Agency	Rating/Grading
Bank Facility / Non-Convertible Debenture	Ind-Ra ICRA CRISIL	AA- (Stable) AA- (Stable) A+ (Positive)
Commercial Paper	ICRA	A1+
Subordinated Debt	ICRA	AA- (Stable)
Comprehensive Microfinance Grading (Institutional Grading/Code of Conduct Assessment (COCA))	CRISIL	M1C1

Stable And Diversified Liability Profile

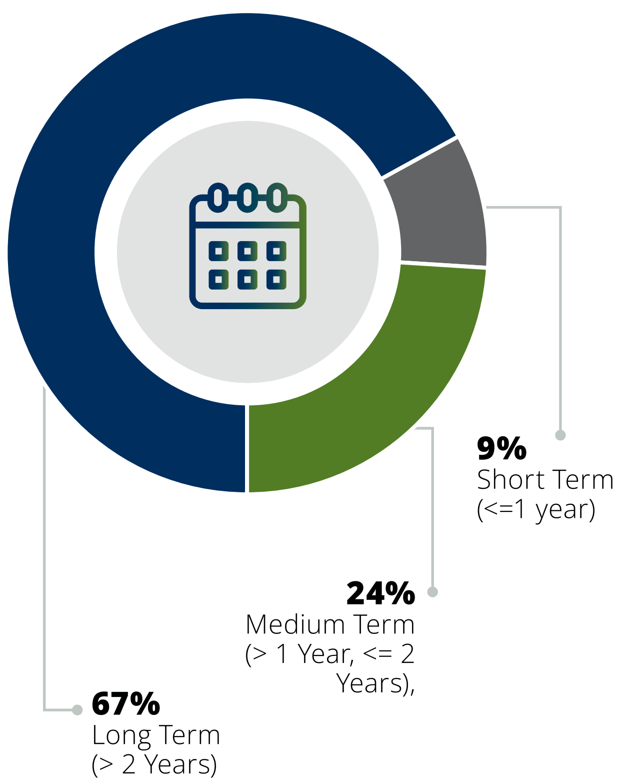
The Company has a well-diversified base consisting of 45 banks, 3 financial institutions, 6 NBFCs, and 8 foreign institutional investors as of March 31, 2023.

Shift In Liabilities Mix Towards Longer Tenure Funds

Liability Mix: Source wise



Liability Mix: Tenure wise



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Our dedicated efforts to diversify the funding profile are coming to fruition. We have been successful in increasing the share of long-term funds through higher foreign borrowings and tapping domestic public NCDs. Our relevant disclosures and socially relevant business make a perfect case to continue targeting ESG funds from global investors in the coming years.

Significant Progress In Mobilisation Of Foreign Funds

Mobilisation of USD 245 million Foreign Funding in FY23

- USD 20 million, 5-Year ECB from Blue Orchard
- USD 50 million, 3-Year ECB from IFC
- USD 90 million, 4-Year ECB from HSBC (syndication facility)
- USD 30 million, 4-Year NCD from FMO Netherlands
- USD 20 million, 5-Year ECB from OeEB Austria (ESG-Linked)
- USD 35 million, 7-Year from DFC (ESG-Linked) being first of its kind direct funding to NBFC-MFI. This facility has been drawn in Q1 FY24

Successful Completion of Maiden Public NCD Issuance

₹5 Billion raised in Tranche I in Nov-22

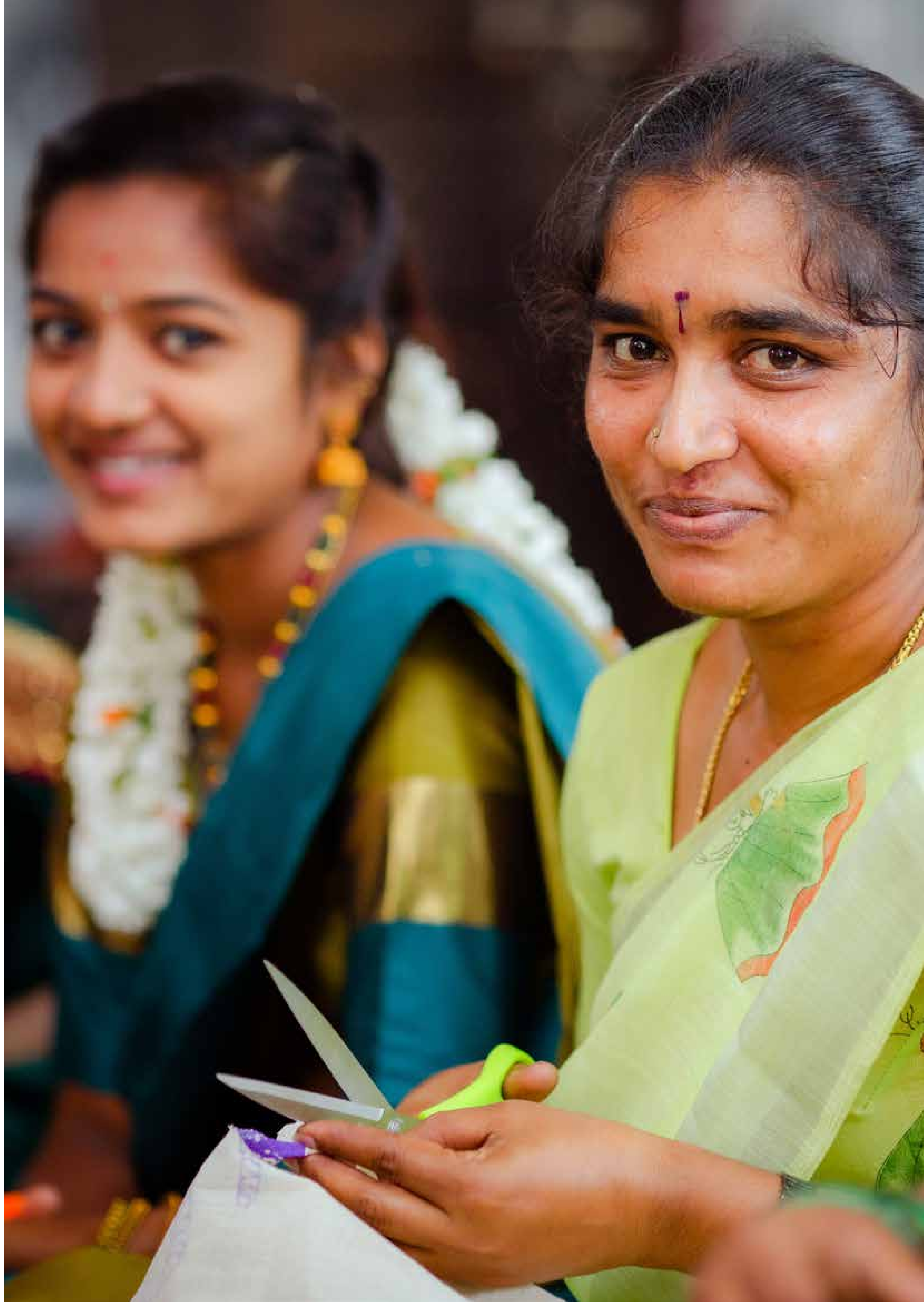
- Overwhelming Response with subscription of 3.03x times the base issue size of ₹2.5 Billion
  - ~42% allotment was for 2-years tenure @ 9.45%
  - ~45% allotment was for 3-years tenure @ 9.60%
  - ~13% allotment was for 5-years tenure @ 10.00%
- Overall average tenure of 3 years @ 9.60%
- Allotment to around 7,200+ Investors
  - Institutional: 25%
  - Non-Institutional: 35%
  - HNI: 15%
  - Retail: 25%

Economic Value Generation And Distribution

We have managed to consistently increase the stakeholder value through efficient business operations, strong processes and controls.

Economic Value Creation	FY2023 (₹ Million)	FY2022 (₹ Million)
A. Economic Value Generated		
Revenue from Operations	35,451.22	27,428.20
Other Income	56.68	73.12
Total Economic Value Generated	**35,507.90**	**27,501.32**
B. Economic Value Distributed		
Operating Cost	6,970.30	8,279.73
Employee Wages and Benefits	5,152.40	4,376.63
Payments to Capital Providers	12,128.84	9,841.40
Payment to Government	2,500.49	1,301.41
CSR Initiatives	84.02	97.10
Total Economic Value Distributed	**26,835.95**	**23,896.18**
Economic Value Retained (A - B)	**8,671.95**	**3,605.14**

Note: Reference to Profit & Loss Statement
i) Operating cost = Fee and commission expense + Impairment on financial instruments + Depreciation and amortisation expenses + Other expenses (excluding Rates & taxes & CSR expenses)
ii) Payments to Capital Providers = Finance costs
iii) Payment to Government = Rates & taxes + Income tax (current tax)



SOCIAL AND RELATIONSHIP CAPITAL

"Investing in Social Infrastructure and Community Wellbeing"

FY2023 KPIs

4.26 million (99.99%) Women borrowers

Total CSR spend **₹115.31 million**

Education loans disbursed over last 3 years **165,132**

Water connection loans disbursed over last 3 years **26,137**

Sanitation loans disbursed over last 3 years **363,461**

Home improvement loans disbursed over last 3 years **603,440**

Highest comprehensive MFI grading **M1C1 from CRISIL**

Client Protection Certified (Cerise + SPTF) with **"Gold Level"**, rated by M-CRIL

Social Loan & Bond Framework, **certified by Sustainalytics**

Interlinked SDGs

Our business operations are focused on financial inclusion and community development through dedicated CSR activities helping in livelihood generation, skill development, education, and water management, sanitation, etc. and have direct or indirect interlinkage with SDG 1, 2, 3, 4, 5, 6, 8, 9

Strategic Focus

To strengthen the relationship with the stakeholders to achieve common but differentiated goals

To bring about socio-economic change through Company's operations and CSR activities

Future scope

Incorporate strategic CSR aligned with business goals, & sustainable long-term growth

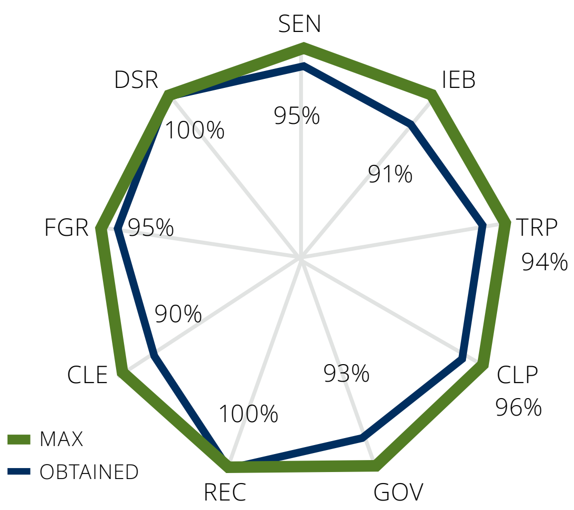
Our business model thrives on bonding/relationship which plays the role of collateral in the form of members guaranteeing each other and referral checks leading to strengthening the social fabric. The essence of social capital lies in its ability to generate trust among community members toward a mutually beneficial society. Here, the business helps the community through employment and product offerings, economic growth, and infrastructure development. In response, the community provides resources and a talent pool. Our quest on community well-being focuses balancing business priorities along with social responsibilities to ensure responsible financing and client protection. We served 4.26 million women borrowers through 1,786 branches across 14 states and one union territory, as of 31st March 2023.

Social Performance Milestones

COMPREHENSIVE MFI GRADING (COCA + COMPANY GRADING)

CA Grameen has maintained the industry's highest comprehensive microfinance grading, 'M1C1' for the last 5 years signifying the strength of the institution to manage its operations in a sustainable manner and adhere to the Code of Conduct dimensions. We have complied with the stipulated regulatory guidelines and Code of Conduct principles. A board-approved fair practices code is in place with frequent reviews/ discussions held in the board meetings.

CoCA DIMENSION SCORES



SEN: Sensitive indicators, IEB: Integrity and Ethical behaviour, TRP: Transparency, CLP: Client Protection, GOV: Governance, REC: Recruitment, CLE: Client Education,

Client Protection Certification

CA Grameen has been certified with the highest level of recognition, Gold Standard in Client Protection Principle (CPP) certification by M-CRIL Limited. Our association with certification has completed over a decade signifying the favourable client protection policies and practices followed leading to a trustworthy reputation in the market. Here, we were evaluated against the core principles of appropriate product design and delivery, prevention of over-indebtedness, transparency, responsible pricing, fair and respectful treatment of clients, the privacy of client data, and mechanisms for complaint resolution.

Customer Relation

The loyalty factor in business is generated from the depth of customer relationships. We service millions of customers across the hinterlands through a range of financial products and services meeting their entire lifecycle needs. The point of connection is through largely held weekly centre meetings which are sacrosanct giving us the opportunity to intensify customer engagement. It is worth mentioning one such initiative which has played a crucial role:

Jagruti – Inspiring and motivating customers

We recognise the critical role of contextual information in empowering communities which led to the launch of this information dissemination program beginning in 2011. The customers are given information on various areas like food and nutrition, children care, sanitation, financial literacy etc. by loan officers who make an announcement regarding the new Jagruti video updated every month. The mode of delivery is through an online Youtube channel in animated video format ensuring 24X7 accessibility.

Enhancing Customer Experience

It is essential to understand customer's dynamic needs on a continuous basis to enhance the experience. In this spirit, we conducted an annual customer need assessment exercise called 'Samvaad' to understand our customers' needs and improve our product and service design. Additionally, we perform ad hoc studies as required. For example, we conducted a study to understand the need for a comprehensive health solution and another study to understand the need for a higher education loan. Based on the study on higher education loans, we increased our education loan ticket size from ₹20,000 to ₹40,000. Our grievance department regularly connects with customers to gauge both awareness and satisfaction levels. We connected with over 4% of the customer base in FY23.

Total awareness calls made:
184,832

Topics of awareness: insurance, loan products, branch address and contact numbers, loan passbook, bank accounts, credit bureau, interest and fees, complaint box, toll free redressals

Minimum awareness level: 97%

Customer feedback is paramount to making refinements in existing processes, products/services. Of the 181,466 calls being made, 98% of customers informed us that they were happy, and the rest were satisfied with our products, processes and the conduct of the staff.

Total Feedback Calls made:
181,466

Customer Grievance Resolution

The Grievance Redressal Cell (GRC) of the company manages all grievances related queries received in a timely manner through coordination with various other departments. A total of 5,617 customer calls were received in FY23, which included 2,933 grievances. Overall, 99.9% of grievances were resolved, out of which around 92% were resolved within 7 days. We have also appointed an internal ombudsman officer beginning in April 2022 to expedite the resolution of customer grievances.

Community Development

Our aim is to create a positive impact on the local community through the sincere sustainability initiatives we undertake. It is directed through our social arm CA India Foundation focusing on areas of Education, Livelihood, Health, and Rural Public Institution Development spanning the value chain. We have a dedicated board-level committee overlooking CSR Policy and reviewing the implementation of various projects. We spend 2% of the average net profit on CSR activities, in line with the Companies Act 2013.

FY23: CSR Initiatives	CSR Expense (₹ Million)	Institutions	Beneficiaries
Rural Infrastructure Development	48.48	1,966	1,31,164
Education	32.33	1,541	1,07,652
Livelihood Support	15.63	11	6,114
Healthcare	14.00	8	37,536
Disaster Relief & Humanitarian Aids	4.88	N.A.	4,657
Total	**115.31**	**3,526**	**2,87,123**

Note: The CSR expense for FY23 mentioned in the above table includes the expenditure incurred by both CA Grameen and its erstwhile subsidiary Madura Micro Finance Limited.

CSR Focus Areas

Education

Through our programmes, we strive to improve the learning environment and cognitive skills by providing equal opportunities for students to move upward on the social and economic ladder.

Anganwadi improvement programme
Here basic infrastructure support is given to Anganawadis present in rural areas for improving the learning environment given it serves as a preschool. Anganwadis are the focal point for health and nutrition related initiatives in the local community. Our efforts help lay the groundwork for proper physical and social development.

Scholarship programme
This programme offers scholarships to two top-scoring girl students from government schools in each selected district, who pass the 10th standard in order to motivate them to continue higher education and to help their families recognize the performance of their child and encourage her to study further. Over 140 girls have been provided scholarships to date.

Self learning centres
Digital learning has emerged as an alternate pathway for delivering education. We recognise the importance of it by providing a learning space for rural children to access computers, learn new things or the subjects of their interest. This helps provide a level playing field and bridge the digital divide. Over 100 children on a daily basis visit these centres to master the art of learning.

Water literacy
We have tied up with various partners to improve rainwater structures in government schools. We are also providing water literacy sessions for children and encouraging them to form WASH committees to take good care of the rainwater harvesting (RWH) structures. This initiative will ensure 30-40% of the annual water needs will be met.

Healthcare

A quality life stems from access to healthcare services. We are giving a helping hand to remove any barriers in the way through partnerships and setting up healthcare units.

Mobile health check-up vehicles
We have organized medical camps by setting up two vans in Chamarajnagar and Mysore where medical tests are done at a subsidized rate. This is enabled through a partnership with Dr. M.D. Sachidananda Murthy of Memorial Educational Trust, Mysore. We also conducted free vaccination drives through mobile vehicles in Maharashtra and Tamil Nadu.

5,553 people got **9,310** medical tests

Free vaccination drives covering **30,725** beneficiaries

Improvements in rural health infrastructure
Access to safe sanitation practices and drinking water is indispensable to healthy living. We have partnered with Swades Foundation to provide 252 household toilets across 13 villages near Nashik, Maharashtra. The sanitation infrastructure improvement activity will support the dream village program taken up by the foundation to create open defecation-free villages. We recognize the role of sustainable income streams in transforming lives. Our CSR intervention touches every facet ensuring livelihood opportunities for rural communities.

Livelihood

We recognize the role of sustainable income streams in transforming lives. Our CSR intervention touches every facet ensuring livelihood opportunities for rural communities.

Smart classroom
We have built a smart classroom on the campus of the Central Institute on Mental Retardation (CIMR), Kerala for improving the cognitive skills and learning ability of intellectually disabled persons. The smart classroom is equipped with high-tech audio-visual tools, including interactive whiteboards, projectors, laptops, and speaker systems. The technology and visual help will enable such people to learn more effectively and increase their involvement. Over time, this will promote socialisation and connectivity leading to enhanced livelihood outcomes for them.

Skill development training
In association with ICICI Academy for Skills, we are providing scholarships to underprivileged candidates across the country to meet their daily expenses for a period of 3 months. This will help rural youth, particularly from communities around CA Grameen operating areas, equipped with the required skills, work etiquette and soft skills to make them employment ready by meeting industry standards. Nearly 300 youths have been provided scholarships to date. We have also established a multi-skill training centre in Nagaland through a partnership with the Investment & Development Authority of Nagaland, a state government initiative to ignite the entrepreneurship spirit. The centre provides training on self-employability generation in rural industries with a special focus on women and unemployed youth and guides on livelihood opportunities through PMGEP, MSME Schemes, Mudra Loan etc.

Training on tailoring to women
We impart tailoring skills to women which can increase the livelihood opportunity and generate a regular income stream. Over 350 women have been trained under this programme. The internal survey conducted shows that over 90% of them become self-employed on gaining requisite skills.

Rural Public Infrastructure Development

We aim to enhance the effectiveness and convenience of rural public institutions by providing the necessary infrastructure.

We have provided support to over **2,252** institutions benefitting more than **131,164** beneficiaries and the general public visiting the institution

Other Development Activities

As part of our branch level community development activities, we also focus on Humanitarian aid and disaster relief activities. Through this initiative, we provide need-based support for relief activities due to damage caused by cyclones, floods, earthquakes, fire incidents, etc. Around 4,657 beneficiaries received disaster relief support in the form of ration kits and household items during the year.

HUMAN CAPITAL

"Culture Driven, Empowering Communities"

FY2023 KPIs

New employee hires **11,906**

Confirmed employees turnover **40.35%**

Employees availing parental leaves **585**

Number of manhours of training: **1.99** million

Average training hours per employee **74 hours**

% of employees receiving regular performance and career development reviews **74.22%**

Number of employees (including probationary & trainee) **16,759**

% of young workforce (18-35 years) **92.99%**

% of women workforce **11.44%**

% of employees from local community **96.57%**

"Great Places To Work" Certified for 4th consecutive year and among India's **Top 25 Best Workspaces in BFSI 2023**

Featured among Top **100 Companies to work for in India**

CREDITACCESS GRAMEEN LIMITED
FORGING A PATH TOWARDS A STRONGER FUTURE | FY 2023

Interlinked SDGs

3 GOOD HEALTH AND WELL-BEING — Employee well-being is the first step toward empowerment

5 GENDER EQUALITY — We strive for gender equal work culture and employment opportunities

8 DECENT WORK AND ECONOMIC GROWTH — Our customised learning and development platforms promote both personal and professional enhancement of our workforce

10 REDUCED INEQUALITIES — Our customer-centric doorstep solutions with flexible repayment options for low-income rural under-banked households, pave the way to explore new solutions and improve their livelihoods

Strategic Focus

To foster a creative, value-centric work culture, for both personal and professional growth of our employees

Future scope

To create new opportunities for employees helping them build relevant expertise

A trained and driven workforce is the most invaluable intangible asset for our Company. Our pursuit of successfully providing affordable and convenient financial solutions to the bottom of the social pyramid lies in the degree of employee centricity. We believe that employee centricity (building a common DNA) is the basis for best-in-class customer retention and customer servicing for a successful business. Microfinance, being a doorstep service is a highly efficient business involving millions of daily transactions where a strong customer connection is paramount for building a differentiated ecosystem with high loyalty factors attached.

CA Grameen's principles of Committed, Reliable, Empathetic, Accountable, Transparent, Efficient (CREATE) along with Learning and Agility clearly articulate our ethos intertwined on both employee and community ends. We strive to build an ecosystem of empowerment and recognition where employees feel motivated in their concrete efforts. This begins with getting the right talent, providing opportunities for growth through learning modules & internal promotions and recognition programs. The various accolades received over the years i.e. "Great Places To Work - Certified®" for the 4th consecutive year India's Top 25 Best Workspaces in BFSI – 2023 and among the Top 100 Companies to work for India are a testament to our aforesaid approach.

Geographical Employee Distribution

EMPLOYEES	FY2023		FY2022	
STATE	**Employees**	**Female %**	**Employees**	**Female %**
Karnataka	3,978	10.38%	4,049	8.77%
Maharashtra	2,949	9.66%	2,856	3.85%
Madhya Pradesh	1,528	0.79%	1,488	0.94%
Tamil Nadu	3,246	23.94%	3,449	18.85%
Chhattisgarh	454	17.40%	402	5.22%
Odisha	683	7.03%	679	5.60%
Jharkhand	412	3.88%	337	4.45%
Rajasthan	668	11.08%	396	7.83%
Bihar	1,021	1.57%	745	0.67%
Gujarat	462	7.58%	264	4.92%
Uttar Pradesh	598	2.51%	378	0.00%
Kerala	428	32.24%	407	22.36%
Puducherry	41	2.44%	43	16.28%
Goa	8	0.00%	7	0.00%
West Bengal	283	2.83%	167	6.59%
TOTAL	**16,759**	**11.44%**	**15,667**	**8.69%**

The table provides the state-wise breakdown of employees depending on the location of the branch in which they are deputed.

Local Employment Generation

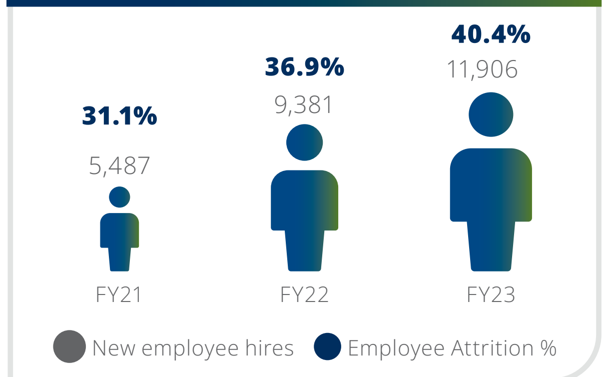
Community development is strongly linked with creating enough employment opportunities across the hinterlands. We have relentlessly followed this theme by hiring field forces, especially from our customer families. This ensures a strong customer connection and prevents cultural contamination thereby promoting good practices. Largely we avoid lateral hiring and believe in internal job promotion boosting employee morale and employee retention rates.

96.57% of employees from the local community (hired from native state)

875 internal job promotions were offered in FY23

Hiring Cost of **Rs 1,679/ per FTE**

New Employee Hires & Employee Attrition %



CREDITACCESS GRAMEEN LIMITED
FORGING A PATH TOWARDS A STRONGER FUTURE | FY 2023

Unique Incentive Structure

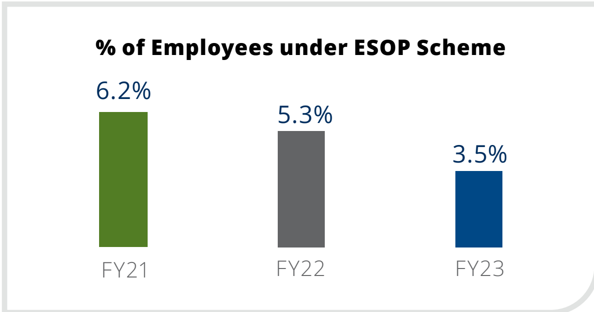
The incentive structure has been intentionally linked with non-monetary KPIs to promote a relationship-based approach ensuring process adherence at all courses by the field force. The three factors determining incentives are - i) The number of active customers served, ii) The number of new customers trained and converted, and iii) The branch audit grade

Nurturing Employee Well-being

We follow a benefit, reward and recognition (BRR) strategy where comprehensive employee wellness plans have been devised. We have laid down perks on different occasions ranging from wedding gifts, child gifts, statutory performance bonuses, annual performance bonuses, and employee stock ownership schemes for eligible employees. All full-time employees are eligible for earned leave, paternal leave, LTA, gratuity, annual increments, provident fund and staff loans. The insurance facility be ESIC/ Medical/ Life/ Hospitalization/ Accidental is applicable to all employees.

We have launched various reward and recognition initiatives for better employee engagement like 'Employee of the Quarter' at the HO level, 'Grameen Rathna Award' where the top 20 loan officers, branches and areas are recognized for their invaluable contribution. Our 'Future Star' program acknowledges and rewards the top 3 scorers in 10th & 12th grade among children of CA Grameen employees. 'Kreeda Utsav', a sports event is another initiative given its unifying effect on our lives and helps enhance employees' physical and mental well-being. It has been organized across 28 locations, covering over 8,850 employees.

% of Employees under ESOP Scheme



% of Employees receiving performance and career development reviews

Encouraging Employee Upskilling

Employee up-skilling is paramount to attain a competitive edge and provide a growth path to individuals. With the introduction of new products and services, technical and behavioural skilling is necessary to help them advance in their profiles. We pay equal attention to both field and non-field staff to progress with the growing environment.

Our dedicated internal training team conducts in-person training sessions for all categories of staff on various aspects. A 2-3 week pre-hiring training seeks to prepare prospective employees for field operations to enable culture alignment. Here, various aspects are briefed including POSH, COC, CPP, ESMS, Gender Equality etc. which are covered for the non-field staff too. Training is provided on behavioural skills and before launching any new product/service. Refresher training programs are also provided in line with operational requirements.

The company has introduced the 'Patashala' program to accelerate the upskilling initiative. Here employees are assisted to enroll for certification courses offered by the National Institute of Banking and Management (NIBM) and provided interest-free financial aid. Based on the individual performance, a 50-100% fee is too reimbursed.

For non-field employees, training is imparted on technical skills and emotional intelligence. Leadership training programs are tailored according to seniority and designed based on the objectives and skills required for field operations.

1.99 million
manhours of training

8,963 new members reported under safety induction initiative

15,678 employees virtual trainings arranged covering various aspects like roles, responsibilities, products, processes, controls, field force technology applications, RBI guidelines etc.

21,705 employees during the year took trainings on E-Learning Portal

Leveraging People Analytics

The microfinance business is highly people intensive. It requires robust policies and processes to strengthen employee morale/satisfaction and provide a clear growth journey within the organisation in the future. Hence, we leverage people analytics to improve our talent management decisions and business outcomes. We make use of data analytics to take talent decisions, improve workforce formative journey and enhance overall employee performance.

We have a 'performance enhancement program' for measuring employee performance. We conduct 'training need analysis' as a part of our performance measurement system to identify current workforce skill gaps and accordingly design upskilling training. We take a very methodical approach to recruitment and hiring by evaluating the sourcing mix across various regions, measuring the cost of hiring, cost of employee replacement, maintaining the balance between field and non-field staff, and position-wise onboarding of employees.

We perform detailed attrition analysis across various regions basis the performance, vintage, gender, department, state etc. to identify employee flight risks and improve retention. We also conduct compensation benchmarking using competitive intelligence to ensure it is at par with the industry.

Employee Grievance Redressal Mechanism

We have always believed that our biggest strength lies in the firm determination of our employees to serve the bottom of the social pyramid. It is our duty to understand their needs and provide a progressive environment where they feel motivated to work. Building an efficient grievance redressal mechanism is a key step in that journey where timely reporting of issues and concerns are made followed by a systematic redressal process.

We have a proper due-diligence process to protect human rights, which includes regular visits by the head office team and regional HR teams to the branches. There are mandatory displays at all branches which provide information on the prevention of child labour, stipulated working hours, and employee grievance redressal helpline. We have a dedicated internal complaints committee to address POSH related issues. The grievance redressal cell handles the entire grievance process in coordination with the respective department heads with a clearly defined escalation matrix. The HR Head reviews the grievance procedure on a yearly basis.

Number of parental leaves taken by employees:
585 (94% were paternity leaves)

Grievances & Queries	FY2023			FY2022 ***		
Query Type	HR Queries	Payroll Queries	Grand Total	HR Queries	Payroll Queries	Grand Total
Open	0	3	3	2	1	3
Responded & Closed	414	936	1,350	119	574	693
Grand Total	**414**	**939**	**1,353**	**121**	**575**	**696**

*** FY22 information was computed excluding the erstwhile subsidiary Madura Micro Finance Limited.

We conduct regular 'Voice of Employee' surveys to assess human rights issues and employee satisfaction levels - Great Places to Work Survey, Value for Women etc.

Employee Diversity and Inclusion

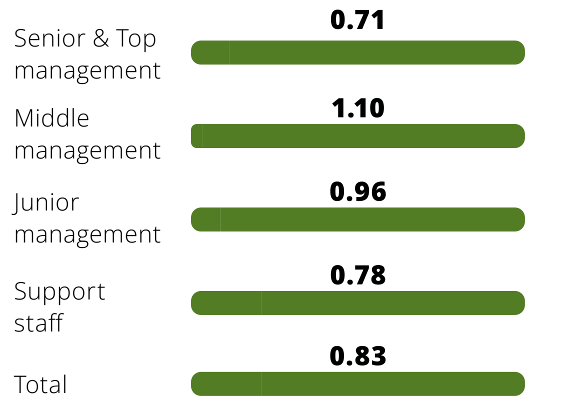
Diversity and inclusion emerge from cultivating a sense of belongingness where everyone has an equal opportunity. With our operations spanning 14 states and 1 union territory, we are a firm believer in appreciating people coming from different background, race, colour, religion, gender, age, disability status, etc. bringing finesse into force and improving the overall customer journey.

We follow a unique recruitment approach of hiring fresh talent from the local neighbourhood, mainly from customer families. This helps us fulfilling the twin goals of financial and human capital inclusion leading to enhance prosperity.

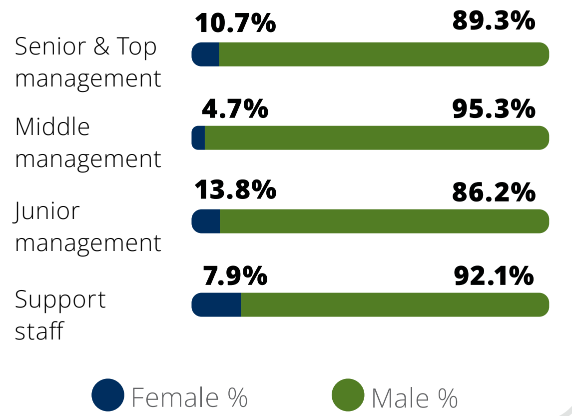
% of young workforce (18-35 years): **92.99%**

- % Female workforce: **11.44%**
- **31.23%** female workforce in non-field roles

Fixed CTC Ratio Across Employee Grades



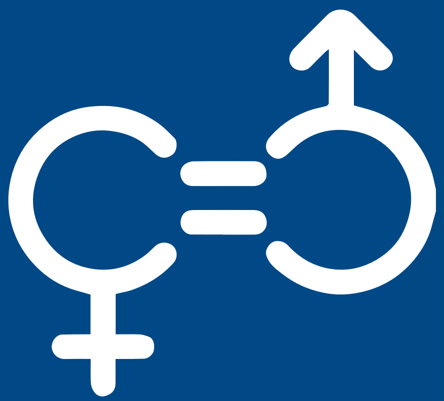
Gender Parity Across Employee Grades



The Fixed CTC Ratio equals the ratio of the average fixed salary of female to male employees at a particular employee grade. The Company practices role-based compensation and ensure parity between male and female salaries across all roles and designations. The designation wise employee break-up as at Mar-23 is as follows: Junior Management (73.5%), Middle Management (25.6%), Senior and Top Management (0.7%) and Support Staff (0.2%)

Gender Action Plan

CA Grameen aims to become an industry leader in an inclusive and sustainable workplace by maintaining and continuing to lead the industry as a great place to work by integrating global gender-inclusive best practices



Increase the share of women workforce by **50%** from **11.44%** in FY23 to **16%** by FY26

The Company's gender action plan aims to –

- Increase employee satisfaction an engagement, especially among women
- Increase awareness of sexual harassment risks and prevention mechanisms
- Maintain gender pay parity
- Benchmark employee compensation and benefits
- Increase representation of women at all levels of the organisation
- Improve brand strength and recognition as a gender-inclusive workplace

The Company has implemented certain measures like –

- Creche option at the head office
- Drop facility for women who leave after 7pm at the head office and regional processing centres
- Sanitary pad vending machines in women washrooms at the head office
- Menstrual leaves for women employees
- Health campus/Workshops for women employees, POSH Workshops

The Company plans to take following initiatives over FY24 – FY26

- Develop policies that are non-regulatory yet women friendly
- Segregate roles befitting women and review gender-mix
- Position as an equal opportunity employer
- Leadership programs for women & training programs that promote gender equality

MANUFACTURED CAPITAL

"Creating Massive Infrastructure At The Last Mile"

FY2023 KPIs

Pan India presence in **14 states** and **one** union territory

1,786 branches across **352 districts**

19 regional processing centres

Strategic Focus

To grow in a calibrated manner through a contiguous district-based approach leading to the better familiarity of local culture and under-banked household serviceability

Interlinked SDGs

Build deeper rural presence through massive branch infrastructure leading to a resilient financial as well as physical infrastructure for all the stakeholders

Future scope

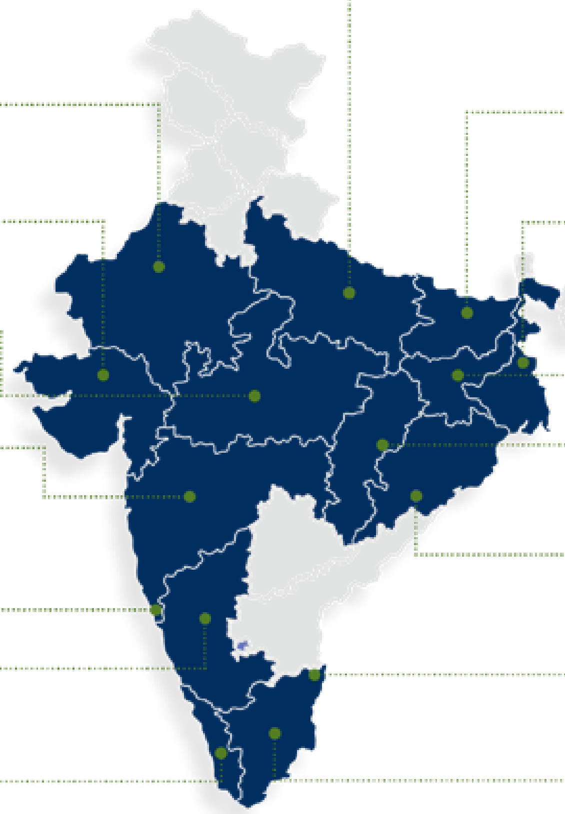
Strengthen physical infrastructure reach with the help of digital solutions

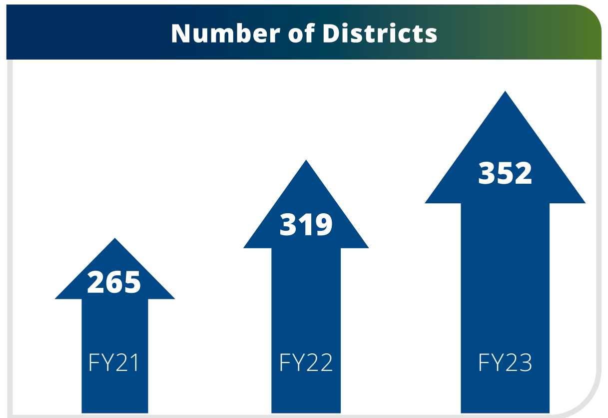
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

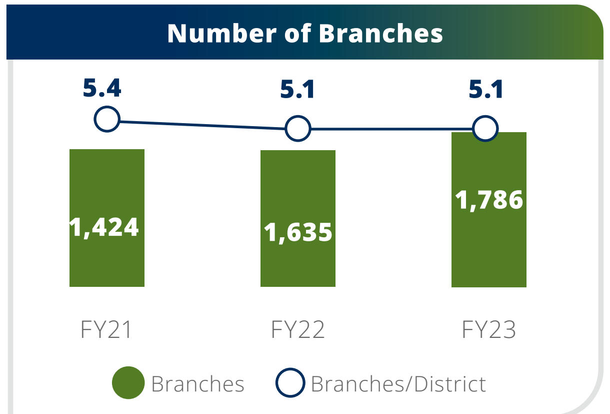
India's largest pure-play microfinance institution, CA Grameen has a huge physical presence across the breadth and depth of the country to support rising customer aspirations. As on March 23 end, CA Grameen covered 352 districts in the 14 states (Karnataka, Maharashtra, Madhya Pradesh, Tamil Nadu, Kerala, Odisha, Chhattisgarh, Goa, Bihar, Jharkhand, Gujarat, Rajasthan, Uttar Pradesh, and West Bengal) and one union territory (Puducherry) in India through 1,786 branches and 19 regional/divisional offices.

PAN INDIA PRESENCE

14 states & 1 UT
352 Disticts
1,786 Branches



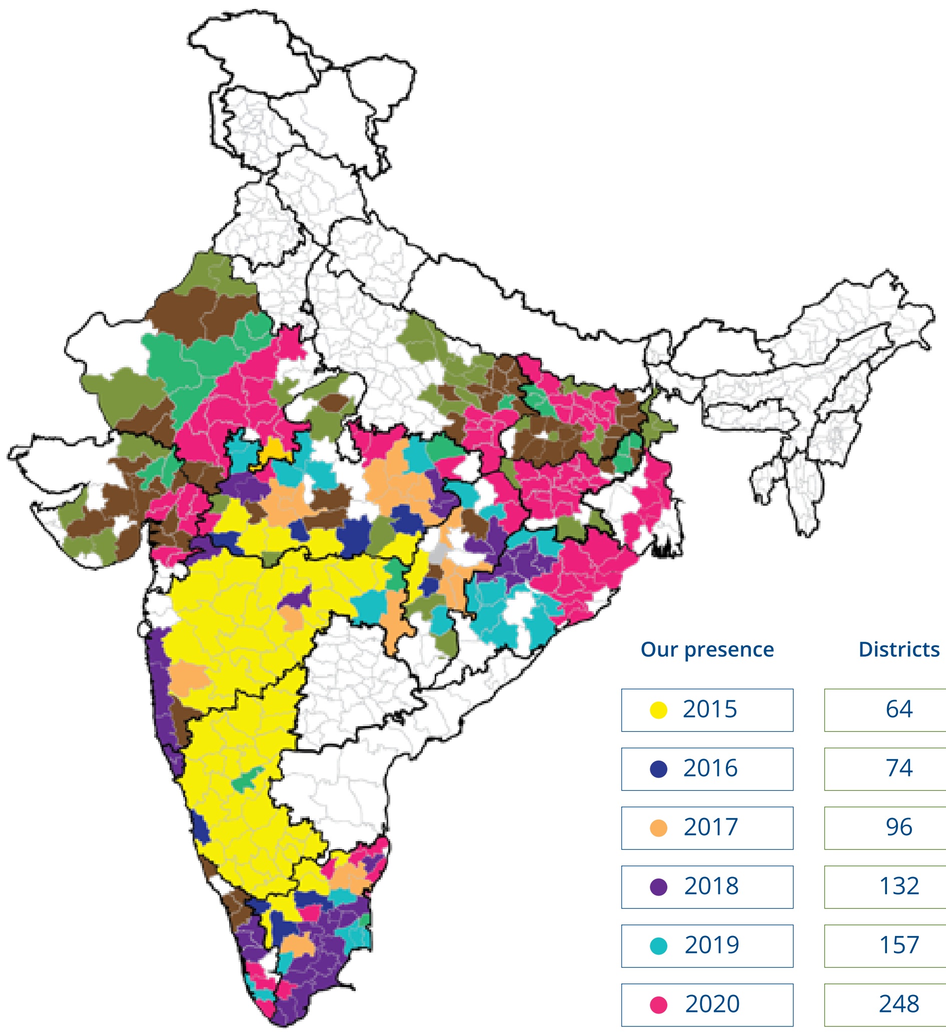




Geographically, the state serves as a macro level whereas the district serves as a micro level. We follow a deep rural contiguous district expansion where we move inch by inch and automatically expand across breadth and depth enabling cultural familiarity. Our contiguous expansion strategy involves expanding to the typically adjacent next district and achieving deeper penetration within three years of operations. Our model follows 5-6 branches per district concept with each branch having an operating radius of 25-30 km.

Out of a total of 352 districts, around 93% of districts individually account for < 1% and 99% of districts individually account for <2% of the consolidated gross AUM respectively. This has ensured mitigating any localized event by stringent adherence to district-level exposure limits.

Below is the representation of CA Grameen's contiguous branch 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

INTELLECTUAL CAPITAL

"Leveraging Customer Centricity and Robust Technology Stack to Provide Innovative Financial Solutions"

FY2023 KPIs

1.6 Products per customer as at Mar-23

88% Customer retention rate***

1.23 million new customers digitally onboarded

₹4,184.10 million cashless collections

154,731 AEPS cash withdrawals amounting to **₹617.00 million**

10,109 branch audits performed, with 93% of branches having >80% audit compliance

Only MFI to integrate **world standard** core **banking solution**

***The KPI is computed for 74% of branches (80% of customers), excluding the branches acquired from Madura Micro Finance Limited subsequent to its merger with the Company in February 2023.

Strategic Focus

To ensure quick and seamless delivery of need based financial products and services backed by robust technology infrastructure

Future scope

To focus on application scalability, process automation and integration with external eco-systems for increased efficiency and enhanced experience

Interlinked SDGs

Customized product range, sound risk and controls, enterprise digitization and process automation leading to improved efficiency and customer retention

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

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Being one of the largest microfinance institutions, and with the increasing size and scale of business operations, it is crucial to be highly responsive to evolving business requirements. With the 'Mobile First' approach, our technology initiatives are largely focused on enhancing customer experience, employee experience and improving the scalability and robustness of the technology stack to support business growth over the longer term. The Company currently handles over 20 lakh transactions every day and these volumes are expected to grow over the coming years. Robust technology stack facilitates the smooth execution and management of multiple process complexities in the backend and offers customized financial solutions to our customers. Our best-in-class core banking solution, end-to-end digital field applications, enhanced process automation, robust risk and audit controls, and strong data analytics capabilities help us to offer a wide range of customised financial solutions to our customers.

Key Initiatives to Enhance Customer Experience and Engagement

Key Initiatives	Outcome in FY23
Cashless Collections	• Launched customer specific QR code on loan passbooks for facilitating cashless collections • Achieved ₹4,184.10 million cashless collections, averaging ₹300 million per month
Digital Customer Onboarding	• Digital onboarded 1.23 million customers after processing 2.70 million applications
Process Enhancements	• Process standardization across all branches w.r.t customer group training, group recognition test, storage management etc. • Enhancement of digital field application to allow the off-line mode of capturing loan information • Streamlined NEFT-based cashless disbursement process • API-fication (Data as a Service) through the implementation of enterprise service bus • Data Platform initiatives like data marts, do-it-yourself dashboards, and business intelligence • Upgradation of core banking solution to the latest version • Single sign-on implementation and enhanced infosec capabilities • Expanding RPA across multiple functions • Creating household credit bureau view and generating instant credit bureau checks • Rule engine implementation under progress
Retail Finance Product Pilots	• ndividual Unsecured Loan: 6,017 loans disbursed in 192 branches, ₹852 million AUM, 100% collections to date • Secured Business Loan: 927 Loans disbursed in 82 branches, ₹531 million AUM, 100% collections to date • Two-wheeler loan: 443 loans disbursed in 61 branches, ₹37 million AUM • Gold Loan: 975 loans disbursed in 13 branches, ₹19 million AUM
Non-Credit Solutions	• Grameen Pay: 1,54,731 successful AEPS-enabled cash withdrawal transactions worth ₹617 million across 718 branches, 81,960 mini statement balance inquiries • Hospicash (wage-loss insurance): 1,42,605 members enrolled across 346 branches with a 12% conversion rate

NATURAL CAPITAL

"Minimizing The Ecological Footprint Of Our Operations And Building Customer Resilience To Changing Climatic Conditions"

FY2023 KPIs

100%
ESG Compliant Loans

Scope 1 Emissions Intensity***:
0.01 tCO2e/FTE

Scope 2 Emissions Intensity***:
0.34 tCO2/FTE

Scope 3 Emissions Intensity***:
0.65 tCO2/FTE

Energy Intensity ***:
13.02 GJ/FTE

***The KPI is computed for 74% of branches (81% of employees), excluding the branches acquired from Madura Micro Finance Limited subsequent to its merger with the Company in February 2023.

Interlinked SDGs

6 CLEAN WATER AND SANITATION
15 LIFE ON LAND
13 CLIMATE ACTION

Organization's operational and CSR activities in environmental sustainability

Creating and managing the GHG inventory to reduce the emissions and move towards net zero

Future scope

To integrate climate finance in the company's lending portfolio and create positive operational impact on environment.

Strategic Focus

Reduce our Scope 1, 2 and 3 GHG emissions and achieve Net Zero operations in long-term.

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Climate Change

Rural India is a focal point in the sustainability realm where communities are often the most vulnerable to the impacts of climate change. This is due to the lack of resources to cope with the sudden and severe weather events that are becoming more frequent in nature. Our unique operating model with a deep rural focus makes us uniquely placed to take the lead under ESG and climate change adaptation. By providing loans and other financial services, we help these communities build resilience and adapt to changing environmental conditions. This intersection of climate change and microfinance is an area of increasing interest and importance. Currently, 100% of our credit portfolio is ESG Compliant, having a positive socio-environmental impact. Our credit line provides tangible support for livelihood creation in the areas of climate-smart agriculture, agroforestry, natural resource management, and water conservation, reducing their vulnerability to climate-related shocks, and mitigating the impact of climate change on their livelihoods.

We have made continuous efforts to preserve and increase our natural capital, especially since a large percentage of our customer base is involved in activities that depend on the ecosystem services provided by nature. In the Tirunelveli district of Tamil Nadu, in agreement with district administration and in partnership with the Environmentalist Foundation of India, we rejuvenated the 4.21-acre Pannaiyarkulam Lake. The work included de-weeding, desilting, bund strengthening, island creation and strengthening the fence around. We have also developed various CSR initiatives aimed at raising awareness and providing training to communities on environmental conservation and the use of ecosystem services to generate value. Through our efforts, we aim to create a more sustainable future for both our customers and the environment.

Supplier Engagement

During FY23, we expanded our efforts to promote sustainability among our suppliers. We reached out to more than 90 critical & significant suppliers and requested them to sign a declaration agreeing to comply with our Vendor Code of Conduct. Around 60% of the vendors signed the declaration urging them to follow all laws of the land including laws on environmental sustainability. It calls for the implementation of operational practices that minimize the impact on the environment, biodiversity, and climate change. It also ensures the efficient use of natural resources, adheres to waste management regulations, and controls emissions to air, water, and soil. In addition, vendors are encouraged to actively contribute to improving the environment in the communities where they operate, as well as to adopt various social responsibility practices. By engaging with our suppliers, we aim to foster stronger relationships and partnerships that can lead to a more sustainable and resilient supply chain.

Environmental Performance

As part of our long-term strategy to become a climate-positive NBFC-MFI institution, we have created our greenhouse gas (GHG) inventory, which covers Scope 1, Scope 2, and Scope 3 business travel categories. These categories make up a significant proportion of our operations, and the inventory will serve as a baseline for us to decrease our carbon footprint in the coming years. To achieve our long-term goal of carbon neutrality, we will be implementing energy-efficient and emission-reduction initiatives. We are currently monitoring our environmental KPIs on a monthly basis and plan to develop a low-carbon transition plan and a decarbonization strategy over the next two years based on our observations during the last 24 months. These plans could be aligned with the SBTi methodology and the country's goals. Our Scope 1, 2, and 3 emissions have been calculated in accordance with the GHG Protocol. This year, we have expanded our Scope 1 coverage to include emissions from firefighting equipment and refrigerants used for air conditioning.

CA Grameen (Standalone) GHG Inventory	FY2023	FY2022
Scope 1		
Scope 1 emission - Company-owned Vehicles (tCO2e)	36.43	26.75
Scope 1 emission - Diesel consumption in DG sets (tCO2e)	7.41	3.65
Scope 1 emission - Refrigerant Leaks & Fire Extinguisher (tCO2e)	100.67	N.A.
Total Scope 1 Emission (tCO2e) *	**144.51**	**30.40**
Scope 2		
Purchased grid electricity (GJ)	20,422	11,420
Scope 2 emission - Purchased grid electricity (tCO2e)	4,595.04	3,349.92
Total Scope 2 Emission (tCO2e) **	**4.595.04**	**3,349.92**
Total Emission (Scope 1+2) (tCO2e)	**4,739.55**	**3,380.32**
GHG Emissions Intensity (Scope 1+2) per FTE ***	**0.35**	**0.28**
Scope 3		
Scope 3 emission - Air Travel	136.12	15.15
Scope 3 emission - Train/Metro	21.07	10.35
Scope 3 emission - Bus	71.29	38.17
Scope 3 emission - Cab Hire	270.22	182.89
Scope 3 emission - Auto	19.83	10.99
Scope 3 emission - Bike	8,321.43	6,791.93
Total Scope 3 Emission (tCO2e) ****	**8,839.97**	**7,049.48**
GHG Emissions Intensity (Scope 3) per FTE ***	**0.65**	**0.59**

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* The boundary of reporting has been widened during FY23. Our Scope 1 now includes emissions from company-owned vehicles, emissions from diesel used in DG sets in our Head Office, HVAC systems (fugitive emissions) and fire extinguishers, as opposed to just company owned vehicles and DG sets in FY22. The emission factors for owned vehicles and DG sets are sourced from GHG Protocol's Cross-sector tool and we have used the fuel-based method for calculating the emissions. The month-wise fuel consumption data is extracted from the Finance & Accounts Department, which handles monthly accounts and billing. The emission factors for HVAC systems are sourced from DEFRA 2021 and we have used the Simplified Material Balance Method for calculating the emissions.

** Scope 2 emissions constitute CO2 emissions from grid electricity consumed by our branches and head office. The emission factors have been taken from Central Electrical Authority (CEA) CO2 Baseline Database for the Indian Power Sector, Versions 17 & 18. Grid electricity consumed has been estimated from branch-wise electricity bills and state-wise tariff charges. For the purpose of estimation, we take a random sample of electricity bills from each state and compute the fixed charges/ duties/ taxes component. We then compute the discount factor [(1-fixed charges/ duties/ taxes) / total bill amount], which is later multiplied with each electricity bill amount and the resultant is divided by average state-wise tariff. The average state-wise tariff is computed by taking the simple average of slab-wise tariff rates. We assume that each state-wise tariff used overall reflects the unit charge for each branch in that state. The emission factor for FY22 was 0.79 tCO2/MWh and 0.81 tCO2/MWh for FY23.

*** FY23 emission indicators are computed for 1,319 branches (out of total 1,786 branches) and 13,641 employees (out of total 16,759 employees), excluding the branches and employees acquired from Madura Micro Finance Limited subsequent to its merger with the Company in February 2023. Similarly, FY22 emission indicators are computed for 1,164 branches (out of total 1,635 branches) and 11,951 employees (out of total 15,667 employees), excluding the branches and employees of erstwhile subsidiary Madura Micro Finance Limited.

**** We have calculated our Scope 3 business travel emissions related to various modes of travel - air, auto, bus, train, metro, bike and hired cabs, with emission factors sourced from the Indian GHG Program. Following emission factors have been considered: 1) Bike travel: KMs travelled by field staff on bikes (125cc, 200cc) are subject to an emission factor of 0.0417 kg CO2/km @ 10 uplift factor. 2) Car travel: KMs travelled by field staff on car (petrol sedan <2500cc) are subject to an emission factor of 0.176 kg CO2/km @ 10 uplift factor. 3) Bus travel: KMs travelled derived from bus fares and subject to an emission factor of 0.015161 kg CO2/pax-km 4) Auto travel: KMs travelled derived from auto fares and subject to an emission factor of 0.10768 kg CO2/pax-km 5) Train/Metro travel: KMs travelled derived from train/metro fares and subject to an emission factor of 0.007976 kg CO2/pax-km 6) Air travel: KMs travelled derived based on the distance between origination and destination and subject to emission factor of 0.121 kg CO2/pax-km in case of domestic travel and 0.08263 kg CO2/pax-km in case of international (long haul) travel in economy class.

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TCFD DISCLOSURES

"Task Force on Climate-Related Financial Disclosures"

ESG & Climate Governance

Board Governance

CA Grameen recognizes and prioritizes Environmental, Social and Governance (ESG) performance and is striving to improve the implementation and monitoring of sustainability practices. We have set up a robust governance structure to effectively integrate ESG and more specifically climate-related issues into our core business strategies. The Board of Directors has the ultimate oversight and guides the overall ESG approach and policy and is periodically apprised of the Company's sustainability performance and progress. On an annual basis, the Board of Directors thoroughly reviews and approves all policies related to ESG.

We have also established a CSR & ESG Committee, to which the Senior Management team reports on the progress of ESG-related activities. The objective of the committee is to work towards identifying risks and opportunities across various ESG aspects and devise necessary action plans and targets to mitigate such risks and build on the opportunities. The Company updates the committee on sustainability (ESG) initiatives and progress on ESG actionables in quarterly ESG reports. For details of the composition and attendance of the CSR & ESG Committee refer to Page 167 of the Report on Corporate Governance.

The Risk Management Committee (RMC) assists the Board with oversight of strategies, policies, and procedures related to the management of all types of risks. This includes promoting appropriate risk culture in the Company, assessing the Company's risk profile and key areas of risk in-particular, including sustainability & climate-related risks. For details of the composition and attendance of the Risk Management Committee refer to Page 168 of the Report on Corporate Governance.

Management Level Governance

Management Level Risk Committee (MLRC) comprises of MD & CEO, CBO, CAO, CFO, CTO, and CRO. The department heads are accountable to the MLRC for the identification, assessment, aggregation, reporting, and monitoring of the risk related to their respective domain. The Company undertakes periodic assessments of climate change risk considering recorded events and forecasts available in the public domain. Such assessment is presented to the MLRC at least annually. Accordingly, the MLRC reviews the aspects of business specifically from a risk indicator perspective and suitably records the deliberations during the monthly meeting.

ESG & Climate Strategy

Incorporating E&S Considerations into our Lending

We have integrated E&S due diligence in respect of all borrowers, pertaining to environmental and social aspects, falling under the scope of our Environmental and Social Management System (ESMS) policy. The due diligence is conducted by the field force consisting of loan officers, branch managers, and area managers. This will include an annual customer declaration on ESG compliance and the absence of prohibited activities. To better understand how borrowers manage environmental and social risks, we have also integrated E&S risk assessments into our internal audit and risk management process. The E&S due diligence will also recommend a corrective action plan to help the borrower take the required measures within the stipulated time to mitigate the E&S risks.

The increasing global climate disturbances pose risks to our business continuity and could impact our operations at our branches and head office. We have hence developed a Business Continuity Plan (BCP) to ensure stability in our operations in the case of any such impromptu event. We measure and disclose greenhouse gas (GHG) emissions with full transparency, along with obtaining GHG Assurance from a third party. The subject matter, procedures performed, and limited assurance conclusion are presented in the Independent Assurance Report attached at the end of this report.

We anticipate starting the process of developing a low-carbon transition plan in the next two years, with the aim of aligning it with the Science Based Targets initiative (SBTi). We are currently in the process of updating our Core Banking Solution, and upon completion, we will be able to optimize the routes taken by our loan officers during centre meeting visits. This optimization will result in a measurable reduction in our Scope 3 emissions.

ESG & Climate Risk Management

We are cognizant of the environmental and social risks in our lending and hence evaluate these risks as a part of our credit/ loan appraisal system. CA Grameen's Environmental and Social Management System (ESMS) ensures compliance with applicable local and national laws on environment, health, and safety standards and International Finance Corporation (IFC) Performance Standards. It helps the Company to avoid and manage loans with potential environmental and social risks through adequate due diligence during loan disbursement and loan utilisation checks post loan disbursement. CA Grameen ensures that it does not extend any loans which fall under the IFC exclusion (prohibited activities) list. The Company's loan agreements contain appropriate environmental and social requirements as stipulated in the ESMS. We ensure timely communication of various environmental and social objectives to its stakeholders, along with proper mechanisms for handling queries/ grievances. The Company also ensures adequate capacity-building measures to identify and monitor environmental and social risks, including senior management, environmental and social (E&S) officer, and support team.

Extreme weather events within CA Grameen's operational geography are recorded as risk incidents. Resultant loss / disruptions incurred by CA Grameen is also recorded wherever data is available. The company undertakes a periodic assessment of climate change risk considering recorded events and forecasts available in the public domain. Such an assessment will be presented to the MLRC at least annually. The assessment includes likelihood, the extent of operational/financial impact and suggested control to mitigate such risk. The assessment shall also include the identification of branches where vulnerabilities from such risks exist.

Key Risks To Be Monitored

Current regulation	MFIs are highly regulated in the country. In cognizance of this, we are committed to continuously measuring, disclosing and enhancing our environmental performance in order to fulfil the environmental obligations and stakeholder expectations towards supporting sustainable growth. This is addressed through our ESMS and ESG Policy, which incorporates current regulations as well as internationally accepted standards and good practices and are regularly updated in response to emerging risks and regulations. FY22
Emerging regulation	Regulators and government bodies across the world are setting higher standards for companies for increased transparency and disclosures. In the Indian context, effective from May 10, 2021, the BRSR is an updated ESG framework mandated by SEBI for the top 1000 companies. Currently, companies are encouraged to adopt it voluntarily; however, it will be mandatory from FY23. As part of good Corporate Governance, the Company has voluntarily adopted the BRSR since FY21.
Technology	The Company had successfully digitized all customer touchpoints during the previous financial year by equipping the field force with handheld tabs enabling automated/ paperless customer onboarding, faster KYC verification, instant credit bureau checks, automated loan applications, managing centre meetings, paperless collection process, automated flow of collection entries to branch level reconciliation, and same day loan disbursements. We intend to keep up with the technological advancements and plan to leverage more on low-carbon technology to help mitigate risks associated with it.
Legal	We ensure that lending products comply with all environmental laws in the country. There were no instances in which the Company was directly held responsible for any climate-related litigation. Our operations do not create significant amounts of GHG emissions. The credit line that we extend to our customers is used to finance livelihood generation activities in climate-smart agriculture, agroforestry, natural resource management, and water conservation. In fact, 99.96% of our credit portfolio has a positive socio-environmental impact. So, at present, we do not perceive the legal risk of climate change as material to our business.
Market	Changes in investor behaviour associated with the transition to a lower-carbon and more sustainable economy expose the Company to material market transition risks. The Company intends to tackle these potential climate-related market risks with strong ESG performance, continual engagement with stakeholders, and by being an early adopter of global sustainability initiatives.
Reputation	CA Grameen is India's largest microfinance institution, serving over 4.26 million customers. Any reputational risk will challenge our ability to retain or acquire new investors, customers and employees, which in turn, will impact performance. We are committed to complying with all relevant climate regulations and regularly reviewing our practices to ensure that we are operating in an environmentally responsible manner.
Acute Physical	CA Grameen has 1,786 branches across 14 states and 1 union territory with 16,759 employees as of March 31, 2023. With the drought, flood, and uneven rainfall increasing throughout India due to climate change, such acute physical events could have a significant impact on the Company's branch operations, operating costs, employee health and welfare. The Company has in place a Business Continuity Plan (BCP) /Disaster Recovery Plan (DRP) in times of such unforeseeable events. These risks also pose significant credit risks resulting in monetary loss to the Company due to default or non-repayment of a loan by a borrower. Historically, MFIs have showcased their ability to imbibe learnings from any adverse events and have risen to the occasion during testing times. The occurrence of natural disasters has large implications on the environment and affects the livelihood and economic activities of the people at the bottom of the pyramid. The self-regulatory organization MFIN is conducting pilots to launch natural catastrophe insurance cover for microfinance borrowers. Such initiatives can help tide over the ill effects of natural disasters. Further, diversification at the district level will help contain the exposure to such natural disasters and effectively manage the impact. In such instances, it is important for the MFI players to continue providing financial support to the affected borrowers and communities which can help them build resilience and rebound back to normalcy.
Chronic Physical	The change in precipitation patterns, rainfall deviation, change in cropping patterns, recurring droughts, desertification etc. have a direct impact on our portfolio which is almost exclusively microfinance. Chronic physical risk impacts the loan book exposure in specific geographies exposed to such risks.

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	b) Describe management's role in assessing and managing climate-related risks and opportunities	78-79
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	43,80-81
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	78-79
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks	78-79
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	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	43,80-81
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	74-77
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AWARDS & RECOGNITIONS

Certificate of Merit – 2021 Integrated AR: 26th South Asian Federation of Accountants

4th Time in a Row: Great Place to Work Certified

Breaking Ground in WASH Financing: Inclusive Finance Summit 2022

Impactful Contribution in Financial Inclusion: Elets 12th NBFC100 Tech Summit

Best in Enterprise Mobility & Data Centre: Technology Senate – Indian Express Group

Best Tech of the Year: Quantic India

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GRI 203: Indirect Economic Impacts 2016

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GRI 305: Emissions 2016

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GRI 401: Employment 2016

GRI Standard	Disclosure	Page Number
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GRI 405: Diversity and Equal Opportunity 2016

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INDEPENDENT ASSURANCE REPORT

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Independent Limited Assurance Report on Identified Sustainability Indicators presented in the Integrated Annual Report of CREDITACCESS GRAMEEN LIMITED for the financial year ended March 31, 2023

To the Board of Directors of CREDITACCESS GRAMEEN LIMITED

We, Deloitte Haskins & Sells LLP, have been engaged by the management of CREDITACCESS GRAMEEN LIMITED (the "Company") to provide independent limited assurance on the Identified Sustainability Indicators described below and presented in the Integrated Annual Report (the "Report") of the Company in accordance with the criteria stated in paragraph 2. This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers and environmental experts.

1. Identified Sustainability Indicators

Our scope of limited assurance covers the review and verification of Identified Sustainability Indicators in the Report as per the criteria described below within the reporting boundary of the Report. The Identified Sustainability Indicators as detailed in Annexure I are the Key Performance Indicators ("KPIs") across the six capitals in the Report. Our limited assurance engagement was with respect to the year ended 31 March 2023 only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the Report and, therefore, do not express any conclusion thereon.

2. Criteria

The criteria used by the Company to prepare the Identified Sustainability Indicators being the KPIs are as follows [together referred to as (the "Criteria")]:

i. Management's basis of preparation based on the principles of Integrated Reporting <IR> Framework issued by The International Integrated Reporting Council ("IIRC");
ii. Audited financial statements and books of accounts for the KPIs under Financial Capital Category; and
iii. Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard developed by the GHG Protocol Initiative, a partnership between World Resources Institute ("WRI") and the World Business Council for Sustainable Development ("WBCSD") for the KPIs under Natural Capital Category related to Scope 1, 2 and 3 emissions.

3. Responsibility of the Management

The Company's management is responsible for identification, selection of companies / locations / offices considered as the reporting boundary of the Report and reporting information accurately per the selected reporting boundary. It is responsible for selecting suitable Criteria for preparing the disclosures on the Identified Sustainability Indicators, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Indicators, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Report in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the Report and the measurement of Identified Sustainability Indicators, which are free from material misstatement, whether due to fraud or error.

Regd. Office: One International Center, Tower 3, 27th – 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400 013, Maharastra, India. (LLP Identification No. AAB-8737)

**Deloitte
Haskins & Sells LLP**

4. Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

5. Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and have the required competencies and experience to conduct this assurance engagement.

Our firm applies Standard on Quality Control ("SQC") 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

6. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Indicators, as disclosed in the Report and as per the Criteria, based on the procedures we have performed and evidence we have obtained. We conducted our limited assurance in accordance with Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the ICAI effective from financial year ended March 31, 2023. This standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Indicators are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Indicators assessing the risks of material misstatement of the Identified Sustainability Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Indicators.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal controls, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and, agreeing, or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Interviewed key personnel of the Company to understand the systems and processes in place for capturing the Identified Sustainability Indicators during the reporting period;
- Tested data and reviewed records and relevant documentation submitted by the Company on sample basis;
- Analysed and reviewed key data reports, processes, procedures relating to collation, aggregation, validation, and reporting of the Identified Sustainability Indicators on sample basis; and
- Reviewed the reasonableness of various assumptions and estimates used in preparation of Identified Sustainability Indicators.

We have relied on the information, documents, records, and explanations provided by the Company for the purpose of our review.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Indicators have been presented, in all material respects, in accordance with the Criteria.

Exclusions

Our limited assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Testing the operating effectiveness of management systems and controls;
- Aspects of the Report and the data/information (qualitative or quantitative) other than the Identified Sustainability Indicators;
- Data and information outside the defined reporting period i.e., for the year ended March 31, 2023; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company in the Report.

7. Our Conclusion

Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Indicators, as mentioned in Annexure I, for the year ended March 31, 2023, are not prepared, in all material respects, in accordance with the Criteria.

8. Restriction on use and distribution

Our limited assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely to assist the Company in reporting on the Company's Sustainability performance and activities in the Report. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our deliverables are shown or into whose hands it may come without our prior consent in writing.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Pratiq Shah
Partner
Membership No. 111850
UDIN:23111850BHAMMU1091

Place: Mumbai
Date: July 18, 2023

Deloitte
Haskins & Sells LLP

Annexure I

Identified Sustainability Indicators

Sr. No	Capital Category	Key Performance Indicator
1	Human Capital	New employee hires
2	Human Capital	Confirmed employee's turnover
3	Human Capital	Employees availing parental leaves
4	Human Capital	Average training hours per employee
5	Human Capital	% of employees receiving regular performance and career development reviews
6	Human Capital	Number of employees (including probationary & trainee):
7	Human Capital	% of young workforce (18-35 years)
8	Human Capital	% of women workforce
9	Human Capital	% of employees from local community
10	Human Capital	State-wise breakup of employees
11	Human Capital	% of employees under Employee Stock Options ("ESOP") Scheme
12	Human Capital	Employees virtual trainings arranged
13	Human Capital	Number of training man-hours
14	Human Capital	Number of new members reported under safety induction initiative
15	Human Capital	Employee Grievance Details
16	Human Capital	Employee Breakup - gender wise
17	Human Capital	Employee Breakup - Seniority wise (Gender parity across employee grades and designation wise)
18	Human Capital	Fixed Cost To Company ("CTC") Ratio Female vs. Male
19	Social Capital	Total Customer Grievances
20	Intellectual Capital	Products per customer as at 31st March 2023
21	Intellectual Capital	Customer retention rate
22	Intellectual Capital	Number of branch audits performed

Deloitte
Haskins & Sells LLP

Sr. No	Capital Category	Key Performance Indicator
23	Finance Capital	Gross Asset under Management ("AUM")
24	Finance Capital	Active Borrowers
25	Finance Capital	Cost-to-Income Ratio
26	Finance Capital	Operating expenses /Assets Under Management (AUM)
27	Finance Capital	Debt/Equity
28	Finance Capital	Return on Assets ("ROA")
29	Finance Capital	Return on Equity ("ROE")
30	Finance Capital	Asset Quality: Portfolio at Risk ("PAR") for Days Past Due ("DPD") PAR DPD 0+ % PAR DPD 60+ % PAR DPD 90+ %
31	Finance Capital	Repayment Rate %
32	Finance Capital	Write-offs
33	Finance Capital	Source wise liability mix Tenure wise liability mix
34	Finance Capital	Economic Value Generated/Distributed
35	Manufactured Capital	Number of branches
36	Manufactured Capital	Number of districts
37	Manufactured Capital	Presence in state and union territory
38	Manufactured Capital	Number of regional/divisional offices/ processing centres
39	Natural Capital	Scope 1 GHG emissions
40	Natural Capital	Scope 2 GHG emissions
41	Natural Capital	Scope 3 GHG emissions

BOARD'S REPORT

To
The Members
CreditAccess Grameen Limited

The Directors have pleasure in presenting the 32nd Board's Report of CreditAccess Grameen Limited ("Company"/ "CA Grameen") together with the Audited Financial Statements, both on a Consolidated and Standalone basis, for the Financial Year ended March 31, 2023. Unless otherwise specifically mentioned, all the numbers provided herein are standalone figures.

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Company for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III to the Act, as amended from time to time and applicable guidelines issued by SEBI.

The audited consolidated financial statements have been prepared in compliance with the Act, Ind AS 110 Consolidated financial statements and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Financial Results **(₹ in Million)**

Particulars	Consolidated		Standalone	
	FY2023	FY2022	FY2023	FY2022
Total income	35,507.90	27,501.27	35,507.55	27,500.56
Finance cost	12,128.84	9,841.40	12,128.84	9,841.40
Net income	**23,379.06**	**17,659.87**	**23,378.71**	**17,659.16**
Total operating expenses	8,314.62	6884.56	8314.62	6,883.79
Pre-provisioning operating profit	**15,064.44**	**10,775.31**	**15,064.09**	**10,775.37**
Impairment on financial instruments	4,010.21	5,967.42	4,010.21	5,967.42
Profit before tax	**11,054.23**	**4,807.89**	**11,053.88**	**4,807.95**
Profit after tax	**8,260.60**	**3,530.75**	**8,260.26**	**3,530.80**
Other comprehensive income	84.11	-853.60	84.11	-853.60
Total comprehensive income	**8,344.71**	**2,677.15**	**8,344.37**	**2,677.20**
Basic Earnings Per Share (EPS) (in rupees)	52.04	22.29	52.04	22.29
Diluted Earnings Per Share (DPS) (in rupees)	51.82	22.20	51.81	22.20

Note: Due to rounding off, numbers presented above may not add up precisely to the totals provided.

SUBSIDIARY'S FINANCIALS:

CreditAccess India Foundation ("CAIF") was incorporated on May 29, 2021, as a wholly owned subsidiary of the Company. CAIF is a 'Not-For-Profit' Company registered under Section 8 of the Act, incorporated to carry out CSR activities on behalf of the Company. As required under Section 129 of the Act read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of CAIF is attached to this report as **Annexure I.**

The Company does not have any Associate or Joint Venture Company.

2. KEY MILESTONES

A. Maiden Public Issue of Non-Convertible Debentures (NCDs) of ₹ 5,000 Million

During the year under review, the Company successfully raised, by way of Public Issue, ₹5,000 Million of Secured NCDs having a face value of ₹1,000 each, which were allotted on November 23, 2022. These NCDs are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

The NCD Tranche I Issue had a base issue size of ₹2,500 Million with an option to retain oversubscription up to ₹2,500 Million aggregating up to ₹5,000 Million, which was within the shelf limit of ₹15,000 Million. The Tranche I Issue received a subscription of ₹7,580 Million, i. e. 3.03x of the base Issue size.

The proceeds of the Issue have been fully utilized for the purpose for which it was raised.

B. Amalgamation of Madura Micro Finance Limited with the Company

During the year under review, a Scheme of Amalgamation ("the Scheme") between Madura Micro Finance Limited ("MMFL") erstwhile Material Subsidiary, CreditAccess Grameen Limited ("CA Grameen") and their respective shareholders & creditors, inter-alia, for amalgamation of MMFL with CA Grameen was approved by the shareholders of both the Companies at their respective meetings held pursuant to the Orders passed by Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench and Bengaluru Bench. Final Order approving the Scheme was passed by Hon'ble NCLT, Chennai Bench and Bengaluru Bench on October 12, 2022 and February 7, 2023 respectively. The said Scheme came into effect from February 15, 2023 ("Effective Date"). By virtue of the same, all the undertakings of MMFL have been transferred and vested in the Company on a going concern basis without any further act, instrument or deed.

3. DIVIDEND

The Board of Directors aims to grow the business lines of the Company and enhance the rate of return on investments of the shareholders. With a view to finance the long-term growth plans of the Company, which requires substantial resources, the Board of Directors do not recommend any dividend for the year under review.

In line with Regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy which sets out the parameters in determining the payment / distribution of dividend. The said Policy is available on the Company's website at https://www.creditaccessgrameen.in/wp-content/uploads/2022/05/CreditAccess-Grameen_Dividend-Distribution-Policy.pdf.

CREDITACCESS GRAMEEN LIMITED
BOARD'S REPORT | FY 2023

4. AMOUNT PROPOSED TO BE CARRIED FORWARD TO RESERVES

The Company has transferred ₹8,256.14 Million to reserves out of the net profit for FY23 and ₹18,551.25 Million is the accumulated balance in Retained Earnings Account (Profit and Loss account and comprehensive income) as at March 31, 2023.

5. SHARE CAPITAL

During the year under review, the Company had allotted 3,64,746 shares to the employees who exercised their stock options granted under CAGL Employees Stock Option Plan- 2011. In addition, the Company has allotted 26,75,351 equity shares (which were pending for listing as on March 31, 2023) to 42 eligible equity shareholders of MMFL, erstwhile Subsidiary, in accordance with the agreed Share Exchange Ratio under the Scheme of Amalgamation.

The paid-up Equity Share Capital of the Company as at March 31, 2023 stood at ₹1,589 Million. Except as mentioned below, none of the Directors of the Company held any instruments convertible into equity shares of the Company:

As on March 31, 2023, 4,39,900 stock Options were held by Mr. Udaya Kumar Hebbar, MD & CEO, which are convertible into equity shares upon exercise of the same.

6. DIRECTORS

As on the date of this report, the Board of Directors comprised of Eight (8) Directors, out of which four are Independent Directors, including two Women Independent Directors.

The composition of the Board is in line with the requirements of the Act, and the Listing Regulations and the applicable RBI Regulations. The Directors possess vast knowledge ,necessary experience, skills and ability in various functional areas relevant to the Company's business, which has aided / continues to aid in strengthening the policy decisions of the Company.

The details of the Board, its Committees, areas of expertise of Directors and other details are available in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

The terms and conditions of appointment of Independent directors are available on the website of the Company at https://www.creditaccessgrameen.in/wp-content/uploads/2022/07/CreditAccess-Grameen_Terms-of-Appointment-of-Independent-Directors_Policy.pdf.

i. Changes in Directors and Key Managerial Personnel (KMP) during FY23

The following were the changes in the Board of Directors during the year under review:

Name	Date of Appointment/ Resignation/ Re-designation	Nature of change
Mr. Paolo Brichetti	October 21, 2022	Appointed as Vice-Chairman & Non-Executive Director of the Company
Ms. Rekha Warriar	October 21, 2022	Appointed as an Independent Director for a term of five years
Ms. Sucharita Mukherjee	September 10, 2022	Retired as an Independent Director of the Company after completing first term of 5 years

In the opinion of the Board, Ms. Rekha Warriar, who was appointed as an Independent Director during the year under review, possesses requisite integrity, expertise, experience and proficiency which are relevant to the Company.

As on the date of this report, Mr. Udaya Kumar Hebbar, Managing Director & CEO, Mr. Ganesh Narayanan, Deputy CEO & Chief Business Officer, Mr. S. Balakrishna Kamath, Chief Financial Officer and Mr. M.J. Mahadev Prakash, Company Secretary & Chief Compliance Officer, are the KMPs of the Company.

ii. Directors retiring by Rotation

Mr. Massimo Vita, Nominee Director shall retire by rotation and being eligible, offers himself for reappointment as per the provisions of the Act, at the ensuing Annual General Meeting of the Company.

iii. Declaration from Independent Director(s)

The Board has received declarations from the Independent Directors as required under Section 149(7) of the Act and Regulation 16(1)(b) of Listing Regulations and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned therein.

iv. Policy on Board Diversity

The Company recognizes and embraces the importance of diverse Board in its success and has put in place a Policy on Board diversity. The said Policy as approved by the Board is available on the Company's website https://www.creditaccessgrameen.in/wp-content/uploads/2022/06/CreditAccess-Grameen_Board-Diversity-Policy.pdf. The highlights of the said Policy are given below:

1. Diversity is ensured considering various factors, including but not limited to skills, industry experience, background and other qualities.
2. The Company considers factors based on its own business model and specific needs from time to time.
3. The Nomination & Remuneration Committee leads the process of identifying and nominating candidates for appointment as Directors on the Board.
4. The benefits of diversity continues to aid in succession planning and serves as the key in identification and nomination of Directors on the Board.
5. Board appointments are based on merit and candidates are evaluated against objective criteria, having due regard to the benefits of diversity on the Board, including that of gender.

Additional details on Board diversity are available in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

v. Compensation Policy for Directors, KMPs and Senior Management

Pursuant to the provisions of Section 178 of the Act, Regulation 19 of the Listing Regulations and applicable RBI guidelines, a Compensation Policy has been formulated *inter-alia,* establishing criteria for determining qualifications, positive attributes, independence of Directors and other matters as provided under the said Section.

The Policy lays down principles for fixing the remuneration/compensation to attract and retain the best suitable talent on the Board and Senior Management of the Company as per the criteria formulated by the Nomination and Remuneration Committee of the Board. This Policy seeks to document the practices and procedures to be followed by the Company in adopting the remuneration payable to its Directors, Key Managerial Personnel (KMPs) and Senior Management. Further, any changes made to the Board of Directors, KMPs and Senior Management are covered under this policy.

Further, the sitting fees payable to NEDs and commission payable to IDs are in accordance with the said policy, which is available on the Company's website at https://www.creditaccessgrameen.in/wp-content/uploads/2023/02/CreditAccess-Grameen_Policy-on-Remuneration-to-Directors-KMP-Senior-Management.pdf

vi. Evaluation of Board, its Committees and Individual directors

The Nomination and Remuneration Committee had engaged Beyond Compliance Corporate Services Private Limited, represented by Mr. Rajiv Balakrishnan to conduct Board Evaluation for FY23. The evaluation of Directors, Committees, Chairman of the Board, and the Board as a whole, was conducted based on the criteria and framework adopted by the Board in this regard.

A brief on the annual Board evaluation process undertaken in compliance with the provisions of the Act and Listing Regulations, is given in the Report on Corporate Governance, forming part of this Integrated Annual Report.

vii. Meetings of the Board

During FY23, the Board of Directors of the Company met 8 (Eight) times. The details of the meetings are given in the Report on Corporate Governance. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act.

viii.Committees of the Board

The details of the Committees of the Board such as Audit Committee, Corporate Social Responsibility and Environmental, Social & Governance (CSR & ESG) Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Asset-Liability Management Committee, IT Strategy Committee and Executive, Borrowings and Investment Committee along with Directors' attendance details, composition, terms of reference and such other relevant details for the year under review are elaborated in the Report on Corporate Governance.

7. AUDITORS AND AUDITORS' REPORT

a. Joint Statutory Auditors

Pursuant to the Guidelines for Appointment of Statutory Auditors dated April 27, 2021, issued by the Reserve Bank of India ('RBI Guidelines'), M/s Deloitte Haskins & Sells ("Deloitte"), one of the Joint Statutory Auditors, would be completing their tenure of three years by the conclusion of ensuing Annual General Meeting ("AGM"). In view of the same, the Board of Directors at its meeting held on February 07, 2023 had, in accordance with the RBI Guidelines and provisions of Section 139 read with Section 141 of the Act and such other applicable provisions, if any, appointed M/s. Varma & Varma, Chartered Accountants, (Firm Reg. No. 004532S) as one of the Joint Statutory Auditors of the Company for a period of three years, from the conclusion of ensuing AGM, subject to the approval of shareholders.

Accordingly, M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants (Firm Reg. No. 003990S/S200018) and M/s Varma & Varma will be the Joint Statutory Auditors of the Company for FY 2023-24.

Further, there are no qualifications, reservations, adverse remarks or disclaimers made by the Joint Statutory Auditors in their report on Annual Financial Statements for FY23.

b. Secretarial Auditors

Secretarial Audit Report issued by M/s M. Damodaran & Associates LLP, Practising Company Secretaries for FY23 in the prescribed Form MR-3 is annexed to this Report as **Annexure II.** Except the below remarks, there are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditors in their Report:

a. *The Company has not intimated to BSE Limited about the details of Interest/principal obligations payable during the quarter from 01.07.2022 to 30.09.2022 and 01.01.2023 to 31.03.2023 with respect to one of the listed NCDs (ISIN INE741K07298) as required u/r. 57(4) of Listing Regulations.*

b. *The Audit Committee was not constituted with at least two-thirds of the independent directors during the period from 21.10.2022 to 12.01.2023 as required u/r. 18(1) (b) of Listing Regulations.*

Board's comments:

With respect to (a), the Company had diligently made payment of Principle/Interest obligations to the Listed NCDs holders for the relevant period. However, the Company had inadvertently not included the ISIN details of the security while intimating the exchanges about the same. The Company has accordingly paid the relevant penalty amount prescribed by the exchanges for the said non-compliance.

With respect to (b), there was a delay in re-constitution of Audit Committee with requisite number of Independent Directors due to interpretational issues. However, after due clarification on the same by the exchanges, the Audit Committee was re-constituted in accordance with the requirement of the law. The Company has also paid necessary penal amount to the exchanges for the said period of delay.

c. Cost Auditors

The provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 relating to Cost Audit and maintaining cost audit records is not applicable to the Company.

8. DETAILS IN RESPECT OF FRAUDS, IF ANY, REPORTED BY AUDITORS:

Pursuant to Section 143(12) of the Act, the Joint Statutory Auditors and the Secretarial Auditors of the Company have not reported any instances of material frauds committed in the Company by its officers or employees, except few instances of cash embezzlement as reported under Note No. 43(u) of Annual Financial Statements.

9. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

CREDITACCESS GRAMEEN LIMITED
BOARD'S REPORT | FY 2023

10. CREDIT RATING

During FY23, the company improved its credit rating from A+ Stable outlook to AA- Stable Outlook by both India Ratings as well as ICRA, owing to high capital adequacy, strong promoter support, tightened credit acceptance criteria, and robust asset liability management. It reaffirms the high reputation and trust the Company has earned for its sound financial management and its ability to meet all its financial obligations. The rating upgrade also factors in the company's industry-leading franchise in the non-banking financial companies-micro finance institutions (NBFC-MFI) segment, the experienced management, and healthy operating performance.

The credit ratings for various instruments of the Company as at March 31 2023 are given below:

Credit Rating Agency	Type of Instrument	Rating as on March 31, 2023	Rating as on March 31, 2022
ICRA	Long-term debt	[ICRA]AA-(Stable)	[ICRA]A+(Stable)
ICRA	Non-convertible debentures	[ICRA]AA-(Stable)	[ICRA]A+(Stable)
ICRA	Commercial paper	[ICRA]A1+	[ICRA]A1+
ICRA	Subordinate-Debt	[ICRA]AA-(Stable)	NA
ICRA	PP-MLD	PP-MLD[ICRA]AA+(CE)(Stable)	PP-MLD[ICRA]AA+(CE)(Stable)
India Ratings & Research	Long-term debt	Ind AA- Stable	Ind A+ Stable
India Ratings & Research	Non-convertible debentures	Ind AA- Stable	Ind A+ Stable
India Ratings & Research	PP-MLD	IND PP-MLD AA- Stable	NA
CRISIL Ratings	Long-term debt	CRISIL A+ Positive	CRISIL A+ Stable
CRISIL Ratings	Non-convertible debentures	CRISIL A+ Positive	CRISIL A+ Stable

Further, the Comprehensive Microfinance Grading by CRISIL for the Company as on March 31, 2023 is **'M1C1'.** CRISIL's Comprehensive Microfinance Capacity signifies highest capacity of the MFI to manage its operations in a sustainable manner and Excellent performance on Code of Conduct dimensions. The grading is assigned on an eight-point scale with respect to Microfinance Capacity Assessment Grading, with 'M1' being the highest grading, and 'M8', the lowest and on a five-point scale with respect to Code of Conduct Assessment, with 'C1' being excellent performance, and 'C5', the weakest.

11. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, there is no significant or material orders passed by any Regulator, Court or Tribunal which may impact the going concern status or the Company's operations in future.

12. INTERNAL AUDIT

The internal audit function provides an independent view to the Board of Directors, the Audit Committee and the Senior Management on the quality and efficacy of the internal controls, governance systems and processes. In line with applicable RBI guidelines on Risk Based Internal Audit, the Company has adopted a Risk Based Internal Audit Policy.

At the beginning of each financial year, an audit plan is rolled out after approval of the Audit Committee. The audit plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures, compliance with laws and regulations. Based on the reports of internal audit function process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions, if any, are presented to the Audit Committee of the Board on a quarterly basis. Pursuant to Risk Based Internal Audit Framework, internal audit is aligned in such a manner that assurance is provided to the Audit Committee and Board of Directors on quality and effectiveness of the internal controls, and governance related systems and processes.

13. INTERNAL FINANCIAL CONTROLS

The Company has put in place an effective internal financial controls in compliance with the extant regulatory guidelines and compliance parameters. The Audit Committee periodically reviews to ensure that the internal financial controls of the Company are adequate and is commensurate with its size, scale and complexity of operations. The Company has put in place robust policies and procedures which, ***inter-alia,*** helps in ensuring integrity in conduct of business, timely preparation of financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds & errors.

14. RISK MANAGEMENT POLICY

The Board of Directors has adopted a Risk Management Policy which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy. The details of risk management framework put in place by the Company along with a brief on risk function, processes followed, monitoring & reporting framework forms part of Management Discussion and Analysis.

15. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 read with Schedule VII to the Act, the Company has constituted a CSR Committee which reviews and recommends *inter-alia* (a) the policy on Corporate Social Responsibility (CSR) including changes thereto, (b) Annual CSR Activity Plan including CSR Budget and (c) CSR Projects or Programs for implementation by the Company as per its CSR Policy. In accordance with the applicable provisions of Section 135 of the Act and the CSR policy of the Company, the Company contributes 2% of average net profits made during the preceding three financial years to CreditAccess India Foundation ("CAIF"), Implementing Agency for undertaking CSR activities on behalf of the Company. The CSR policy of the Company is available on the website of the Company – https://www.creditaccessgrameen.in/wp-content/uploads/2022/06/CreditAccess-Grameen_Corporate-Social-Responsibility-Policy.pdf

A report on CSR activities of the Company pursuant to Section 134(3)(o) is enclosed herewith as **Annexure III.**

16. WHISTLE BLOWER POLICY OR VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has established a whistle blower mechanism under which the Directors and employees may report any unethical behavior, actual or suspected fraud, violation of the Code of Conduct including that of Insider Trading or personnel policies, any other illegal activity occurring in the organization. In exceptional cases, directors or employees can raise their concerns directly to the Chairman of the Audit Committee. During the year under review, the Company had received seven complaints through this mechanism. However, based on verification it was found that the complaints were in the nature of staff grievances and resolved accordingly. The Whistle-Blower Policy (Vigil Mechanism) of the Company is available on the website at https://www.creditaccessgrameen.in/wp-content/uploads/2022/06/Credit-Access_Grameen_Whistle-Blower-Policy.pdf

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company, being a non-banking financial company registered with the RBI and engaged in the business of providing loans, is exempt from complying with the provisions of section 186 of the Act, in respect of loans and guarantees.

18. RELATED PARTY TRANSACTIONS

All the Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

Details of Related Party Transactions as required under Indian Accounting Standard (Ind AS-24) are reported in Note 37 forming part of Financial Statements. As required under the applicable provisions of the Act, details of related party transactions in the Form AOC-2 is given in **Annexure IV.**

There were no materially significant related party transactions having potential conflicts with the interests of Company at large, during FY23.

The Policy for determining Material Subsidiaries and Related Party Transaction Policy are available on the website of the Company at https://www.creditaccessgrameen.in/wp-content/uploads/2022/05/CreditAccess-Grameen_Policy-for-determining-Material-Subsidiary-v.1.pdf and https://www.creditaccessgrameen.in/wp-content/uploads/2022/07/CreditAccess-Grameen_Related-Party-Transaction-Policy_v4.pdf.

19. HUMAN RESOURCE MANAGEMENT & EMPLOYEE RELATIONS

The significance of human capital in any organization cannot be overstated, particularly in a financial services organization such as ours where a significant proportion of the workforce are at the frontline dealing with the customers. The successful delivery of our services is dependent on striking a delicate balance between providing excellent customer service and meeting performance targets. Our Company is committed to fostering a work environment that encourages a positive attitude and superior performance among our employees.

Policies relating to Human Resources are employee friendly and support an environment of accomplishment and satisfaction. The Company aims to provide the best of training inputs and seamless growth opportunities ensuring that the culture of the organization is translated into business performance.

The Company also facilitates performance-linked incentives that will help the motivational levels of the workforce thereby sustaining growth and achieving targets.

20. PARTICULARS OF EMPLOYEES

As on March 31, 2023, the Company had 16,759 employees.

The details required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing inter-alia, the ratio of remuneration of each Director and Key Managerial Personnel to the median employee's remuneration are attached as **Annexure V(i).**

The details of employee remuneration as presribed under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in the **Annexure V(ii).**

21. MATERIAL CHANGES AND COMMITMENTS AFTER THE DATE OF BALANCE SHEET

There are no material changes and commitments between the end of FY23 and the date of this report, affecting the financial position of the Company.

22. REPORT ON CORPORATE GOVERNANCE

Pursuant to the Listing Regulations, a separate section titled 'Report on Corporate Governance' has been included to this Integrated Annual Report. All Board members and Senior Management personnel have affirmed compliance with the code of conduct for FY23. A declaration to this effect signed by the Managing Director & CEO of the Company is included as a part of the Report on Corporate Governance.

The Managing Director and the Chief Financial Officer have certified to the Board on the accuracy of financial statements and other matters as specified in the Listing Regulations , which forms part of Report on Corporate Governance.

A certificate from Secretarial Auditors of the Company on compliance with conditions of corporate governance forms a part of the Report on Corporate Governance.

23. MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with the Listing Regulations, the Management Discussion and Analysis Report highlighting the details of each business vertical, which forms a part of this Integrated Annual Report.

24. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

In accordance with the Listing Regulations, a Business Responsibility and Sustainability Report ("BRSR") has been prepared, which provides an overview of the Company's material ESG risks and opportunities, goals and targets related to sustainability and performance against them. BRSR for the year under review has been annexed as **Annexure VI** to this Report.

25. DISCLOSURES UNDER THE POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 ("POSH Act")

The Company has 2077 women employees in various cadres as on March 31, 2023. The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace ("POSH policy") and an Internal Committee in line with the requirements of the POSH Act and the Rules made thereunder for reporting and conducting inquiry into the complaints made by the victim on the sexual harassments at the workplace. The functioning of the Committee is in line with the provisions of the Act.

During the year under review, the Company has not received any complaint under POSH policy.

26. FAIR PRACTICES CODE

The Company has in place a Fair Practices Code ("FPC") as approved by the Board, in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers enabling them to take informed decisions. The FPC is available on the website of the Company at https://www.creditaccessgrameen.in/wp-content/uploads/2022/11/CreditAccess-Grameen_Fair-Practices-Code_RBI-Directions-on-MFI-Loans_October-2022_v4.pdf

The Company's Internal Audit team periodically provides feedback to the Audit Committee on adherence to FPC and functioning of grievance redressal mechanism. Further, the Board also reviews the implementation and efficacy of FPC on an annual basis.

27. CUSTOMER GRIEVANCE

The Company has a dedicated Customer Grievance Cell for receiving and handling customer complaints/grievances and to ensure that the customers are always treated in a fair and unbiased way. All grievances raised by the customers are dealt with courtesy and redressed expeditiously.

28. ANNUAL RETURN

Pursuant to sub-section (3)(a) of Section 134 and sub-section (3) of Section 92 of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as at March 31, 2023 is made available on the Company's website at https://www.creditaccessgrameen.in/investors/shareholder-services/agm-egm/

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

a. Information Relating to Conservation of Energy, Technology Absorption

Sl. No	Particulars	Remarks
A	**Conservation of energy** (i) the steps taken or impact on conservation of energy; (ii) the steps taken for utilizing alternate sources of energy; (iii) the capital investment on energy conservation equipment;	The provisions of Section 134(3) (m) of the Act relating to conservation of energy and technology absorption does not apply to the Company. The Company has, however, used information technology extensively in its operations and continues to invests in energy-efficient office equipment at all office locations.
B	**Technology absorption** (i) the efforts made towards technology absorption; (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- a. the details of technology imported; b. the year of import; c. whether the technology been fully absorbed; d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and (iv) the expenditure incurred on Research and Development.	

b. Foreign Exchange Earnings and Outgo

During the year under review, the foreign exchange outflow was equivalent to ₹5.23 Million towards term loan interest payments to foreign lenders and procurement of software license.

30. DEPOSITS

The Company continues to be categorized and operate as a non-deposit taking Non-Banking Financial Company-Micro Finance Institution (NBFC-MFI) and has not accepted any deposit as defined by the Act. Accordingly, disclosure under Section 35(1) of the RBI Master Direction – Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 does not also apply.

31. EMPLOYEES STOCK OPTION PLAN ("ESOP Plan")

The Nomination and Remuneration Committee administers CAGL Employees Stock Option Plan - 2011, formulated by the Company, from time to time.

Information as required under Section 62 of the Act read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SBEB Regulations') and Section 21(9) of the Company's ESOP Plan is provided hereunder:

CREDITACCESS GRAMEEN LIMITED
BOARD'S REPORT | FY 2023

Sl. No	Information required	Particulars
1	Number of Options outstanding at the beginning of the year	20,92,186
2	Number of Options granted during the year	7,68,600
3	Number of Options vested during the year	3,29,100
4	Number of Options exercised during the year	3,64,746
5	Number of shares arising as a result of exercise of Options	3,64,746
6	Number of Options forfeited / lapsed during the year	71,796
7	Exercise price (in ₹)	39.86 / 63.9 / 84.47 / 120.87 / 595.68 / 786.91
8	Money realized by exercise of Options	₹47.26 Million
9	Number of Options outstanding/ in force at the end of year	24,18,870
10	Number of Options exercisable at the end of year	7,56,220
11	Total number of Options available for grant	15,76,200
12	Variation of terms of Options	NA

Employee-wise details of options granted to;

1. Senior Managerial Personnel – 3,24,200
2. Any other employee who receives a grant of options in any one year of options amounting to five percent or more of options granted during that year: - Nil
3. Identified employees who were granted options during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant – Nil
4. Diluted Earnings per Share- ₹51.81/-
5. Total consideration received against issuance of ESOP shares under the Plan- ₹184.96 Million

Disclosures pertaining to ESOP as required under SBEB Regulations are placed on the Company's website at https://www.creditaccessgrameen.in/investors/shareholder-services/agm-egm/ Grant wise-details of the Options vested, exercised and cancelled are provided in the notes to the standalone financial statements.

Further, the Company confirms that there has been no change to the Company's ESOP Plan during FY23.

32. Scale Based Regulations

Reserve Bank of India issued a circular on "Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs" on 22 October 2021 ('SBR Framework'). As per SBR Framework, based on size, activity, and risk perceived, NBFCs are categorised into four layers, NBFC - Base Layer (NBFC-BL), NBFC - Middle Layer (NBFC-ML), NBFC - Upper Layer (NBFC-UL) and NBFC - Top Layer (NBFC-TL). Effective October 01, 2022, the Company has been categorised as NBFC – ML under the said Framework.

33. OTHER DISCLOSURES/CONFIRMATION

During the year under review:

a. The Company has not allotted any equity shares with differential voting rights.

b. The Company has complied with applicable Secretarial Standards for Board and General Meetings held.

c. The Company has not revised Financial Statements as mentioned under Section 131 of the Act.

d. Pursuant to the Act and Listing Regulations, a separate Meeting of the Independent Directors was held on February 06, 2023, without attendance of Non–Independent Directors and Members of the Management.

34. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Directors hereby confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the profit and loss of the Company for that year;

c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the directors have prepared the annual accounts on a going concern basis;

e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

35. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation and sincerely acknowledge the contribution and support from shareholders, customers, debenture holders, debenture trustees, Central and State Governments, Bankers, Reserve Bank of India, Registrar of Companies, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India, BSE Limited, National Stock Exchange of India Limited, Registrar & Share Transfer Agents, Credit Rating Agencies and other Statutory and Regulatory Authorities for the kind cooperation and assistance provided to the Company. The Directors also extend their appreciation to all the employees for their continued support and unstinting efforts in ensuring an outstanding operational performance and for their continued commitment, dedication and cooperation.

For and on behalf of the Board of Directors of
CreditAccess Grameen Limited

Place: Bengaluru	**Udaya Kumar Hebbar**	**Manoj Kumar**
Date: July 21, 2023	**Managing Director & CEO**	**Independent Director**
	DIN: 07235226	**DIN: 02924675**

Annexure I

AOC-1
Salient features of the Financial Statement of Subsidiaries

Part-A: Subsidiaries:

(₹ in Lakhs)

Sl. No	Particulars	Details
1	Name of the subsidiary	CreditAccess India Foundation
2	Date since when subsidiary was acquired/ incorporated	May 29, 2021
3	Reporting period for the subsidiary concerned, if different	NA
4	Reporting currency and Exchange rate as on March 31, 2023	NA
5	Share Capital	1.00
6	Reserves & Surplus	0.05
7	Total Assets	8.75
8	Total Liabilities	8.75
9	Investments	Nil
10	Turnover/Total Income	1,176.12
11	Profit/(Loss) Before Taxation	1.68
12	Tax Expenses	Nil
13	Profit / (Loss) after Taxation	1.68
14	Proposed Dividend	NA
15	Extent of shareholding (in %)	100

Part-B: Associates and Joint Ventures: Nil

For and on behalf of the Board of Directors of
CreditAccess Grameen Limited

Place: Bengaluru	**Udaya Kumar Hebbar**	**Manoj Kumar**
Date: July 21, 2023	**Managing Director & CEO**	**Independent Director**
	DIN: 07235226	**DIN: 02924675**

Annexure II

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel)
Rules, 2014 and Regulation 24A (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015])

To
The Members
CREDITACCESS GRAMEEN LIMITED
(CIN: L51216KA1991PLC053425)
New No. 49 (Old No. 725), 46th Cross,
8th Block, Jayanagar (Next to Rajalakshmi Kalyana Mantap),
Bangalore – 560 071.

We, M. Damodaran & Associates LLP, Practicing Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CREDITACCESS GRAMEEN LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;

  (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); including amendment/ re-enactment made thereto to the extent applicable to the Company;

    a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

    b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

    c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

    d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

    e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

    f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

    g) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)];

    h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

    i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - not applicable for the period under review;

    j) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - not applicable for the period under review.

(vi) Reserve Bank of India Act, 1934 including RBI Directions and Guidelines as applicable to the NBFCs.

We have also examined compliance with the applicable clauses of the following:

i. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited; and

ii. Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meeting issued by the Institute of Company Secretaries of India.

During the period under review, except as below, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc.:

a. The Company has not intimated to BSE Limited about the details of Interest/principal obligations payable during the quarter from 01.07.2022 to 30.09.2022 and 01.01.2023 to 31.03.2023 with respect to one of the listed NCDs (ISIN INE741K07298) as required u/r. 57(4) of SEBI LODR.

b. The Audit Committee was not constituted with at least two-thirds of the independent directors during the period from 21.10.2022 to 12.01.2023 as required u/r. 18(1) (b) of SEBI LODR.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board & Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the respective Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to Structured Digital Database.

We further report that during the audit period the Executive, Borrowings and Investment Committee of the Board of Directors of the Company has;

a. considered and approved the terms and conditions for issuance of 600 (six hundred) senior, secured, rated, listed, redeemable, taxable, transferable, principal protected market linked non-convertible debentures denominated in ₹, each having a face value of ₹10,00,000 (Rupees Ten Lakh) and an aggregate face value of ₹60,00,00,000 (Rupees Sixty Crore) at its meeting held on 16th September, 2022.

b. allotted the above said non-convertible debentures on Private Placement basis at its meeting held on 27th September, 2022.

c. considered and approved, at its meeting held on 04th November, 2022, the public issue of secured Non-Convertible Debentures of face value of ₹1,000 each for an amount up to ₹250 crores ("Base Issue Size") with an option to retain oversubscription up to ₹250 crores, aggregating up to ₹500 crores ("Tranche I Issue Limit") ("Tranche I Issue"), which is within the shelf limit of ₹1,500 crores.

d. allotted 50,00,000 (Fifty Lakhs) secured, redeemable, Non-Convertible Debentures of face value of ₹1,000 each for cash at par, aggregating to ₹500 Crore, on public issue basis at its meeting held on 23rd November, 2022.

e. allotted 26,75,351 (Twenty-Six Lakhs Seventy-Five Thousand Three Hundred and Fifty One) equity shares of ₹10/- each fully paid-up, at its meeting held 27th March, 2023, to the eligible equity shareholders of Madura Micro Finance Limited, in accordance with the Share Exchange Ratio as agreed in the Scheme of Amalgamation between the Company (Transferee Company) and Madura Micro Finance Limited (Transferor Company).

f. allotted 3,64,746 Equity Shares of ₹10/- each under CAGL Employee Stock Option Plan- 2011 on various dates.

We further report that during the audit period the Shareholders of the Company, inter-alia, has:

a. Passed a resolution for approval of Scheme of Amalgamation between the Company (Transferee Company) and Madura Micro Finance Limited (Transferor Company) and their respective shareholders and creditors under Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, at their meeting held on 25th April, 2022 as per the direction given by the Hon'ble National Company Law Tribunal, Bengaluru Bench vide its Order dated 25th February, 2022.

b. raised ₹240,00,00,000 (Rupees Two Hundred and Forty Crore) from Nederlandse Financierings-Maatschappijvoor Ontwikkelingslanden N.V (FMO), by issuance of 2,400 unlisted, senior, secured, redeemable, transferable, Non-Convertible Debentures, with a door-to-door tenure of four years.

CREDITACCESS GRAMEEN LIMITED
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We further report that during the audit period, the Hon'ble National Company Law Tribunal, Bengaluru Bench has approved the Scheme of Amalgamation between the Company (Transferee Company) and Madura Micro Finance Limited (Transferor Company) and their respective shareholders and creditors vide its Order dated 7th February, 2023.

For **M DAMODARAN & ASSOCIATES LLP**

Place: Chennai
Date: 16.05.2023

M. Damodaran
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000315718

(This report is to be read with our letter of even date which is annexed as ***Annexure A*** *and forms an integral part of this report)*

Annexure - A
Disclaimer Certificate

To
The Members,
CREDITACCESS GRAMEEN LIMITED
(CIN: L51216KA1991PLC053425)
New No. 49 (Old No725), 46th Cross,
8th Block, Jayanagar (Next to Rajalakshmi Kalyana Mantap),
Bangalore – 560 071.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M DAMODARAN & ASSOCIATES LLP**

Place: Chennai
Date: 16.05.2023

M. Damodaran
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000315718

Annexure III

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company

During the year 2021, the Company incorporated a Section 8 Company, CreditAccess India Foundation ("CAIF") for the purpose of implementing the CSR activities of the Company, its Group and other donors. CAIF is a not-for-profit Company having a tax exemption status under Sections 80G & 12A of Income Tax. CAIF has been successfully implementing various non-financial activities, in the areas of healthcare, education, livelihood, environment, and rural development across the areas / localities where the Company operates since 2021. During FY23, CAIF has implemented the CSR activities of the Company and its erstwhile Subsidiary, Madura Micro Finance Limited ("MMFL").

2. Composition of CSR Committee:

The CSR Committee of the Board is responsible for overseeing the implementation of the Company's CSR Policy. The composition of CSR Committee as at the end of FY23 is as under:

Name of the Director	Designation	No. of CSR Committee Meetings held during the year	No. of CSR Committee Meetings attended during the year
Mr. Udaya Kumar Hebbar	Chairman	4	4
Mr. Massimo Vita	Member	4	4
Mr. Manoj Kumar	Member	4	4
Ms. Lillian Jessie Paul	Member	4	2

3. Web-link for accessing the Composition of CSR committee, CSR Policy and CSR projects approved by the Board and disclosed on the website of the Company:

a. CSR Committee: https://www.creditaccessgrameen.in/governance/committees-of-the-board/
b. CSR Policy: https://www.creditaccessgrameen.in/csr/csr-policy/
c. CSR projects approved by the Board: https://www.creditaccessgrameen.in/csr/csr-activities/

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not applicable

5. CSR Obligation for FY23 (in ₹)

(a)	Average net profit of the company as per section 135(5)	385,93,93,592
(b)	Two percent of average net profit of the Company as per Section 135(5)	7,71,87,805
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	1,82,12,435
(d)	Amount required to be set-off for the financial year, if any	Nil
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	9,54,00,240

6. Details of CSR amount spent during FY23: (in ₹)

(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	9,55,12,435
(b)	Amount spent in Administrative Overheads	0
(c)	Amount spent on Impact Assessment, if applicable	0
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	9,55,12,435*

* represents only the amount spent by the Company

(e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
9,55,12,435*	-	-	-	-	-

* In addition to the above, CAIF had also spent the interest amount earned to the tune of ₹4,28,326 on the amount conrtibuted by the company

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	7,71,87,805
(ii)	Total amount spent for the Financial Year	9,55,12,435
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,12,195
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for preceding three Financial Years:

Sl. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2021-22	1,82,12,435	Nil	1,82,12,435	Nil		Nil	
2	2020-21	1,81,28,407		1,81,28,407				
3	2019-20	Nil		Nil				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No ☑

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: *Not applicable*

For and on behalf of the Board of Directors of
CreditAccess Grameen Limited

Place: Bengaluru
Date: July 21, 2023

Udaya Kumar Hebbar
Managing Director & CEO & Chairman of the Committee
DIN: 07235226

CREDITACCESS GRAMEEN LIMITED
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Annexure IV

FORM AOC-2

(Pursuant to Section 134 (3) (h) of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Sl. No	Particulars	Details
1.	Name(s) of the related parties	CreditAccess India Foundation ("CAIF")
2.	Nature of contracts / arrangements / transaction	Sharing of office space and other manpower services
3.	Duration of contracts	Ongoing
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	The Company shall sublet its office building and provide manpower support, wherever required. Rental amount of ₹ 5,000 (Rupees Five Thousand only) plus taxes is charged per month for sharing or the shared office and manpower resources provided by the Company
5.	Date of approval by the Board	June 25, 2021
6.	Advances	NA
7.	Justification for entering into such contract or arrangement or transaction	CAIF being Company's Subsidiary and registered as a Not-for-profit Company, for implementing CSR activities of the Company, adequate support is being provided.
8	Date on which the Special Resolution was passed	NA

For and on behalf of the Board of Directors of
CreditAccess Grameen Limited

Place: Bengaluru
Date: July 21, 2023

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

Annexure V(i)

Statement of Disclosure of Remuneration under Section 197 (12) of Companies Act, 2013 read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of remuneration of each Director to the median remuneration of employees of the Company and percentage increase in remuneration of each Director and KMPs during FY2023:

Sl. No	Name of Director/KMP	Designation	Ratio to Median	% increase in Remuneration during FY2023
1	Mr. Udaya Kumar Hebbar	MD & CEO	81.18	15%
2	Mr. George Joseph	Lead Independent Director & Chairman	12.95	20.92%
3	Mr. Manoj Kumar	Independent Director	9.57	7.96%
4	Ms. Lillian Jessie Paul	Independent Director	6.23	(4.68%)
5	Ms. Rekha Warriar*	Independent Director	4.86	NA
6	Mr. Paolo Brichetti	Non-Executive Director & Vice-Chairman	NA	NA
7	Mr. Sumit Kumar	Non-Executive Director	NA	NA
8	Mr. Massimo Vita	Non-Executive Director	NA	NA
9	Mr. Ganesh Narayanan	Dy. CEO & CBO	52.75	25%
10	Mr. S. Balakrishna Kamath	Chief Financial Officer	35.87	15%
11	Mr. M. J. Mahadev Prakash	Company Secretary & Chief Compliance Officer	20.51	27%

**Appointed during FY2023, hence comparison is not feasible*

(ii) The percentage increase in the median remuneration of the employees in FY2023: There has been an increase of 14% in the median remuneration of the employees of the Company in FY2023 as compared to FY2022.

(iii) As on March 31, 2023, there were 16,759 permanent employees on the rolls of the Company.

(iv) **Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in the remuneration of employees other than KMPs during FY2023 was 15% and the average increase in the remuneration of KMPs was 20%.

Justification for Increase: The increase is in line with industry standards and salary benchmarking exercise with the external marker, and the Company's performance.

It is hereby affirmed that:

a. the remuneration paid to KMPs and Senior Managerial Personnel is in accordance with the remuneration policy of the Company.

b. None of the employees drew remuneration beyond the limits specified under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

c. the key parameters for any variable component of remuneration availed by the directors are as follows: The variable pay of Managing Director & CEO is based on clearly laid out criteria and measures, which are linked to the desired performance and business objectives of the organization. The criteria for variable pay, which is paid out annually, includes financial parameters like revenue, profit achievement and other strategic goals as decided by the Board, from time to time.

   Apart from the variable pay component, long term incentives granted to Managing Director & CEO includes ESOP grants. The vesting of Options is based on performance parameters of the Company over a defined performance period and is linked to predefined financial goals. The grants and vesting criteria are determined by the Nomination and Remuneration Committee, as and when required.

Annexure V(ii)

Disclosure of Remuneration under Section 197 (12) of Companies Act, 2013 read with Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including Top 10 employees in terms of remuneration drawn during FY22-23:

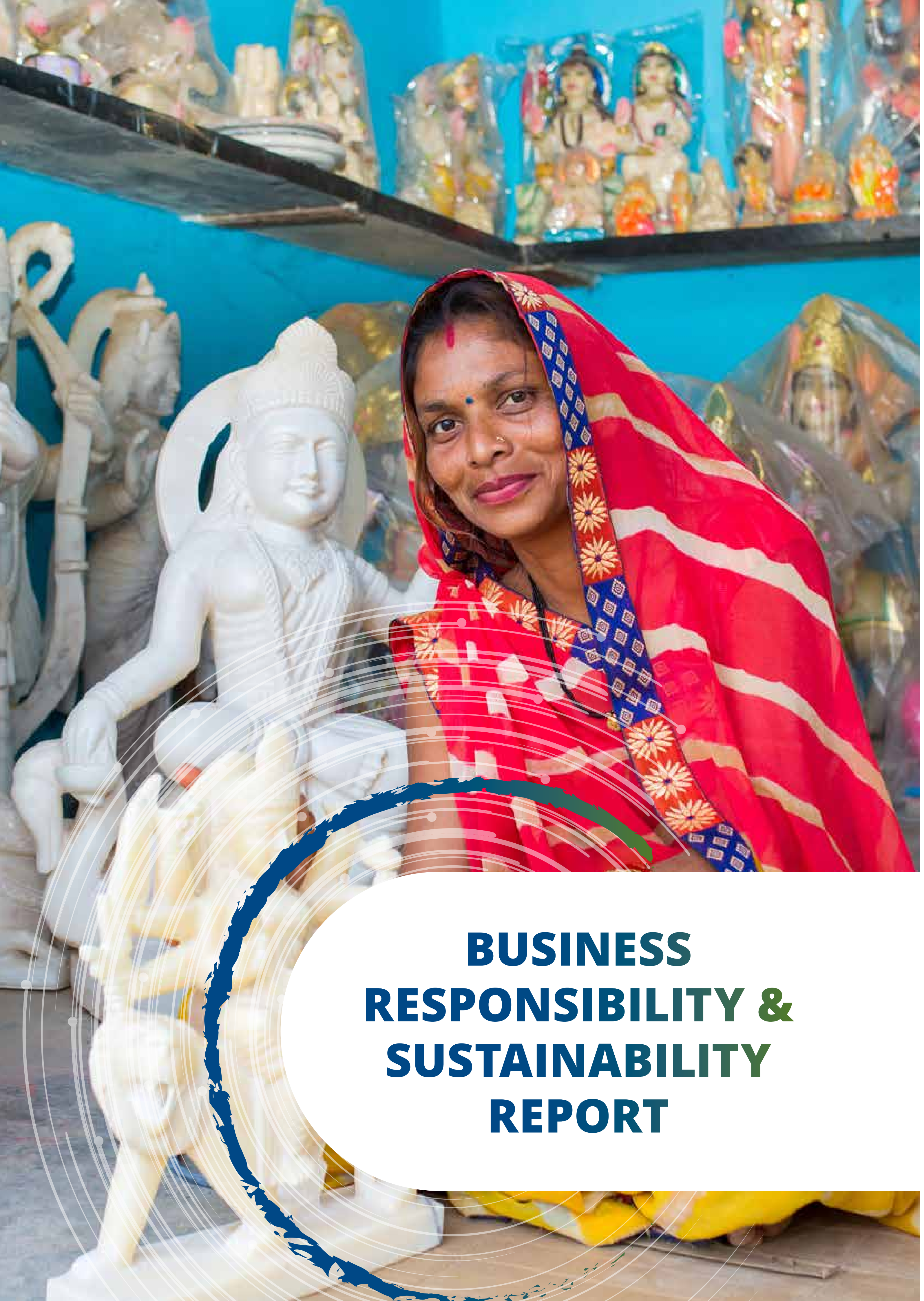
Name	Age	Qualifications and experience	Designation	Employed since	Remuneration drawn during FY23		Previous employment
					Fixed & Variable Pay (₹in Million)	ESOP (No of Options granted) #	
Mr. Udaya Kumar Hebbar	63	M.Com, CAIIB (38.4 Years)	MD & CEO	08.09.2010	34.50	92,400	Barclays Bank PLC
Mr. Ganesh Narayanan	47	MBA (25 Years)	Dy. CEO & CBO	27.01.2020	19.66	44,200	Yes Bank
Mr. Sudesh Dinesh Puthran	53	BE, MFM, (25 Years)	Chief Technology Officer	01.10.2020	17.24	35,400	Aditya Birla Finance Limited
Mr. Gururaj Rao	48	B. Com, CIA (28.2 Years)	Chief Audit Officer	01.07.2009	16.77	40,600	YBA Kano, Saudi Arabia / Bahrain
Mr. Narayanan M.	66	B. Com, CAIIB (42 Years)	Chief Integration Officer	08.01.2006	15.69	-	GMR Group
Mr. Sadananda Balakrishna Kamath	53	B. Com, ACA, ACS (29.5 Years)	Chief Financial Officer	11.03.2020	13.52	30,200	TATA Capital Housing Finance
Mr. Srivatsa H N	46	Pre-University (21 Years)	Business Head – Retail Finance and Group Lending	02.12.2002	13.12	31,700	Bharatha Swamukti Samasthe
Mr. Firoz Anam	45	B. Tech, MBA (20 Years)	Chief Risk Officer	01.07.2020	11.41	23,100	Indie Homefin
Mr. Gopal Reddy A. R.$	49	B. Com, (24 Years)	Business Head-Group Lending	30.05.1999	10.86	25,600	Started his career in CA Grameen
Mr. Sundaram Arumugam*	45	MBA (22 Years)	Head - Digital Lending and Retail Finance Products	01.04.2019	10.84	19,200	CreditAccess Asia
Mr. Arun Kumar B	40	PGDM (19 Years)	Head-Strategy, Innovation and Analytics	10.11.2010	10.75	22,700	Barclays Bank

$ Joined the Company on 30.05.1999 and re-joined in the year 2012 after a brief break.
** Joined the Company on 01.04.2019 and re-joined in the year 2022 after a brief break.*

 # ESOPs were granted at a price of INR 902.59/- per Option. The number of Options granted to each employee has been determined using the 'Black-Scholes' method, a widely accepted valuation model for stock options. The ESOPs granted in FY23 will vest over four equal annual instalments of 25% each, with the vesting period commencing from January 2024

i. The aforementioned employees have / had permanent employment contracts with the Company.

ii. Employees mentioned above are neither relatives of any directors of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FY2023

SECTION A: GENERAL DISCLOSURES

1. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L51216KA1991PLC053425
2.	Name of the Listed Entity	CreditAccess Grameen Limited
3.	Year of incorporation	1991
4.	Registered office address	New No. 49 (Old No725), 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalyana Mantap) Bengaluru KA-560070
5.	Corporate address	New No. 49 (Old No725), 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalyana Mantap) Bengaluru KA-560070
6.	E-mail	info@cagrameen.in
7.	Telephone	+91 80 22637300
8.	Website	www.creditaccessgrameen.in
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	BSE, NSE
11.	Paid-up Capital	₹1,589.06 million
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mahadev Prakash Company Secretary & Chief Compliance Officer +91 80 22637300 cs@cagrameen.in
13.	Reporting boundary	For FY23, the disclosures under this report are made on a consolidated basis, except for the GHG emissions disclosures which are computed across 74% of branches (81% of employees), excluding the branches of Madura Micro Finance Limited which merged with the Company in February 2023. For FY22 & FY21, the disclosures are on standalone basis, excluding the erstwhile subsidiary Madura Micro Finance Limited.

2. Products / Services

14. Details of business activities (accounting for 90% of the turnover).

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Microfinance Services	Providing loans for income generation activities and other lifecycle needs to economically weaker sections	99.2%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover).

S. No.	Description of Main Activity	NIC Code	% of Turnover of the Entity
1.	Microfinance Services	65923	99.2%

3. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated.

Location	Number of Branches	Number of offices	Total
National	1,786	1 Head Office, 19 Regional Offices	1,806
International	0	0	0

17. Markets served by the entity:

a) Number of locations

Location	Number
National (No. of States)	14 States & 1 Union territory
International (No. of Countries)	0

b) What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c) A brief on types of customers.

Predominantly women (99.99%) customers from low income households (economically weaker sections) availing loans primarily for income generation activities and for other lifecycle needs.

4. Employees

18. Details as at the end of Financial Year:

a) Employees (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	16,759	14,842	88.56%	1,917	11.44%
2.	Other than Permanent (E)	Nil	Nil	0.00%	Nil	0.00%
3.	**Total employees (D + E)**	**16,759**	**14,842**	**88.56%**	**1,917**	**11.44%**

a) Differently abled Employees

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	1	1	0.006%	Nil	0.00%
2.	Other than Permanent (E)	Nil	Nil	0.00%	Nil	0.00%
3.	**Total employees (D + E)**	**1**	**1**	**0.006%**	**Nil**	**0.00%**

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25.00%
Key Management Personnel	4	Nil	0.00%

20. Turnover rate for permanent employees

	FY2023			FY2022			FY2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	39.97%	44.39%	40.35%	31.71%	36.96%	32.09%	28.75%	35.35%	29.23%

Turnover rate = (No. of persons who have left the employment of the entity in the FY * 100) / (Persons employed in the category at the beginning of FY + Persons employed in the category at the end of FY) / 2.

* Only confirmed employees have been considered

5. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures

S.No.	Name of the holding/ subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/ subsidiary/ associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity?
1	CreditAccess India Foundation	Wholly owned Subsidiary	100.00%	Yes

6. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (₹ in million): 35,507.90

(iii) Net worth (₹ in million): 51,069.70 million

7. **Transparency and Disclosures Compliances**

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place	FY2023			FY2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Community grievances currently not recorded	Nil	Nil	Community grievances currently not recorded
Investors & Shareholders	Yes	100	Nil	-	Nil	Nil	-
Employees	Yes	84	1	-	39	Nil	-
Customers	Yes	2,933	Nil	-	3,189	1	-
Value Chain Partners	No	Nil	Nil	Value Chain Partners grievances currently not recorded	Nil	Nil	Value Chain Partners grievances currently not recorded

24. Overview of the entity's material responsible business conduct issues

Refer to Page 34 of Integrated Annual Report.

CREDITACCESS GRAMEEN LIMITED
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT | FY 2023

SECTION B: GENERAL DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1.a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.creditaccessgrameen.in/governance/policies/								
2. Whether the entity has translated the policy into procedures.	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes / certifications/ labels/ standards adopted by your entity and mapped to each principle.	The spirit and intent of the Company's Code of Conduct, Fair Practices Code and other Codes/ Policies are prepared in compliance with applicable laws /rules /guidelines. In addition, they reflect the vision and mission of the Company of providing financial services to the economically weaker sections that create a commercially viable and socially relevant microfinance model that delivers high value to our customers.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company strives to be a socially responsible organisation creating a meaningful long-term impact in the lives of customers, employees, communities, and various stakeholders. The Company has ensured that its processes and controls are aligned with the principles of sustainable business practises.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company actively tracks the progress against the action plan to ensure complete compliance with the established norms.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Refer to Page 15 of Integrated Annual Report									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN: 07235226 Name: Udaya Kumar Hebbar Designation: Managing Director and CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Refer to Question No. 8								
10. Details of Review of NGRBCs by the Company (a) Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
(b) Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	N	N	N	N	N	N	N	N	N
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:	Not Applicable								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1 Familiarization program for independent directors	Training on business matters	50%
	1 Familiarization program for all board of directors	Compliance Obligations under SEBI PIT Regulations, 2015	100%
Key Managerial Personnel	4 Training programs	Prevention of Sexual Harassment (POSH),IT Security, Compliance Obligations under SEBI PIT Regulations, 2015, Enhanced Leadership Program	100%
Other Employees	5 Trainings Programs conducted through the e-learning portal	Code of Conduct, Client Protection Principles, Client Data Privacy, Environmental & Social System, Prohibition of Insider Training	84.7% of employees at end of Mar-23

2. **Details of fines/ penalties / punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

	NBRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty / Fine	Principle 1	BSE	INR 1,000 + Tax	The Company has not intimated BSE Limited about the details of Interest payment obligation during the quarter from 01.07.2022 to 30.09.2022, with respect to one of the listed NCDs as required u/r. 57(4) of the SEBI LODR.	No
		BSE & NSE	INR 1,70,000 + Tax each	The Audit Committee was not constituted with at least two-thirds of the independent directors during 21.10.2022 to 12.01.2023 as required u/r. 18(1)(b) of SEBI LODR.	No
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

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3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

   Nil.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes. https://www.creditaccessgrameen.in/governance/policies/

5. **Number of Directors/KMPs/employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

   FY2023: Nil. FY2022: Nil

6. **Details of complaints with regard to conflict of interest:**

   Number of complaints received in relation to issues of Conflict of Interest of the Directors: FY2023: Nil. FY2022: Nil.

   Number of complaints received in relation to issues of Conflict of Interest of the KMPs: FY2023: Nil. FY2022: Nil.

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   Nil.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered under the awareness programmes
-	-	-

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?**

   The Company has a Board approved policy for management of conflict of interest. The objective of the Policy is to i) identify actual or potential conflict of interest of the Company with its directors and employees which may arise during the course of its business activities, ii) implement effective organisational and administrative processes to mitigate and prevent conflicts of interest arising and damaging the interest of various stakeholders, and iii) suggest appropriate safeguards and systems for preventing or managing conflicts and an escalation mechanism. Every director or every employee of the Company shall notify the MD & CEO of any personal conflict of interest relationship which may involve the Company. Every director or employee shall also notify the MD & CEO of any conflict of interest of a non-personal nature involving the Company or its business arrangements. The MD & CEO shall analyse conflict of interest, perceived or otherwise, in order to determine an appropriate course of action.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY2023	FY2022	Details of improvements in environmental and social impacts
IT Capex	₹ 55.97 million	₹ 73.59 million	Refer to Page 72 of Integrated Annual Report

2. a. Does the entity have procedures in place for sustainable sourcing?

The company conducts all branch procurement from local businesses / suppliers.

b. If yes, what percentage of inputs were sourced sustainably?

100% of Company's branch procurement happens from local businesses / suppliers.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not Applicable.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?

Not Applicable.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not Applicable.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not Applicable.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable.

CREDITACCESS GRAMEEN LIMITED
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT | FY 2023

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. Details of measures for the well-being of employees.

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Male	14,842	14,842	100%	14,842	100%	0	0%	552	3.72%	We have a creche facility at the Head Office	
Female	1,917	1,917	100%	1,917	100%	33	1.72%	0	0.00%		
Total	**16,759**	**16,759**	**100%**	**16,759**	**100%**	**33**	**0.20%**	**552**	**3.29%**		

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY2023		FY2022	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority	No. of employees covered as a % of total employees	Deducted and deposited with the authority
PF	100%	Y	100%	Y
Gratuity*	71.82%	Y	75.61%	Y
ESI	13,774 out of 16,759 employees fall under ESIC and 100% covered	Y	10,006 out of 11,951 fall under ESIC and are 100% covered	Y

* Gratuity is applicable after confirmation of employees

3. Accessibility of workplaces.
Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. It is covered under the Code of Conduct Policy. (https://www.creditaccessgrameen.in/governance/policies/)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	94%
Female	Out of 20 women employees, 50% returned, and the remaining 50% are still on leave as per policy	

(Total number of employees that did return to work after parental leave in the reporting period * 100)/ (Total number of employees due to return to work after taking parental leave in the reporting period) = Return to work rate

Retention rate = (Total number of employees retained 12 months after returning to work following a period of parental leave * 100)/ (Total number of employees returning from parental leave in the prior reporting period)

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?

Yes. Refer to Page 64 of Integrated Annual Report.

7. Membership of employees in association(s) or Unions recognised by the listed entity:

Not Applicable.

8. Details of training given to employees:

Category	FY2023					FY2022				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Male	14,842	9,718	65.48%	11,207	75.51%	11,065	7,134	64.47%	7,975	72.07%
Female	1,917	1,740	90.77%	947	49.40%	886	464	52.37%	579	65.35%
Total	**16,759**	**11,458**	**68.37%**	**12,154**	**72.52%**	**11,951**	**7,598**	**63.58%**	**8,554**	**71.58%**

9. Details of performance and career development reviews of employees:

Category	FY2023			FY2022		
	Total (A)	Total (B)	Total (B/A)	Total (C)	No. (D)	% (D / C)
Male	13,869	10,360	74.70%	9,829	7,475	76.05%
Female	1,313	908	69.15%	807	585	72.49%
Total	**15,182**	**11,268**	**74.22%**	**10,626**	**8,060**	**75.78%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage such system?

CA Grameen has adopted a systematic approach to control the occupational health and safety risks for field force who need to travel long distances for engaging with customers on daily basis. There are well-defined standard operating procedures, checks, controls and audits to ensure that the field employees take all precautionary measures at work. Regular trainings are conducted to build awareness about occupational health and safety and regular branch and field audits help in capturing any deviations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Regular trainings are conducted to build awareness about occupational health and safety and regular branch and field audits help in capturing any deviations and timely corrective action.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.

Not Applicable.

d. Do the employees of the entity have access to non-occupational medical and healthcare services?

The employees are covered by health insurance and life insurance.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY2023	FY2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	28	40
No. of fatalities	Employees	20	21*
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0

**out of 21 fatalities, there are 8 deaths due to Covid-19*

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Regular trainings are conducted to build awareness about occupational health and safety and regular branch and field audits help in capturing any deviations and timely corrective action.

13. Number of Complaints on the following made by employees:

	FY2023			FY2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	Not Applicable
Working Conditions	Not Applicable

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of employees.

Yes.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The statutory dues are filed individually by the respective departments, with the concerned government authorities. There is an automated process adopted by the Compliance team generates regular alerts and tracks the timely filing of dues/returns.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2023	FY2022	FY2023	FY2022
Employees	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Yes.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Not Applicable
Working Conditions	Not Applicable

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company is engaged in providing financial services to low-income households in rural India for their lifecycle needs. The key stakeholders of the Company are customers, local communities in the operating regions, shareholders, lenders, investors, regulators, credit rating agencies and other business partners.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Refer to Page 31 of Integrated Annual Report.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The senior management team is in regular communication with the stakeholders and any feedback received from the stakeholders is communicated to the Board as a part of business performance updates on a quarterly basis.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Company uses stakeholder consultation as a medium to support the identification and management of environmental and social topics. There were no specific observations made by any stakeholder during the financial year.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Refer to Page 57 of Integrated Annual Report.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2023			FY2022		
	Total (A)	No. of employees covered (B)	% (A/B)	Total (C)	No. employees covered (D)	% (C / D)
Permanent	16,759	Nil	-	11,951	Nil	-
Other than Permanent	Nil	Nil	-	Nil	Nil	-
Total Employees	**16,759**	**Nil**	**-**	**11,951**	**Nil**	**-**

2. Details of minimum wages paid to employees, in the following format:

Category	FY2023					FY2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent	16,759	1,356	8.09%	15,403	91.91%	11,951	5,759	48.19%	6,192	51.81%
Male	14,842	1,099	7.40%	13,743	92.60%	11,065	5,280	47.72%	5,785	52.28%
Female	1,917	257	13.41%	1,660	86.59%	886	479	54.06%	407	45.94%

3. Details of remuneration/salary/wages, in the following format:

In ₹	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (Independent)	2	22,30,000 (commission)	2	13,30,000 (commission)
Key Managerial Personnel	4	1,44,38,064	Nil	Nil
Other Employees	14,838	2,84,052	1,917	2,07,182

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company appreciates that human rights are inherent, universal, indivisible, and interdependent in nature. The Company has a policy on Codes of Conduct applicable to staff, borrowers, and other business partners. Conscious efforts are taken to understand the regulatory aspects of human rights and integrate respect for human rights in management systems, wherever applicable, in particular through assessing and managing human rights impacts of operations. Access to grievance redressal mechanism is set up for all individuals impacted by the business.

6. Number of Complaints on the following made by employees:

	FY2023			FY2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harass-ment	Nil	Nil	-	1	Nil	There was no evidence of sexual harassment found during the investigation.
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour / Involuntary La-bour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

No pending concerns under labour compliances, sexual harassment, and disciplinary issues.

8. Do human rights requirements form part of your business agreements and contracts?

Yes.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour / Involuntary Labour	100%
Wages	100%
Other human rights related issues	100%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Nil.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Nil.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Nil.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour / Involuntary Labour	Nil
Wages	Nil
Other human rights related issues	Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Nil.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY2023	FY2022
Total electricity consumption (A)	20,422 GJ	11,420 GJ
Total fuel consumption (B)	1,57,182 GJ	1,23,861 GJ
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	1,77,604 GJ	1,35,282 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.000006 GJ	0.000006 GJ
Energy intensity (optional) – the relevant metric may be selected by the entity	13.02 GJ (Per FTE)	11.32 GJ

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

Not Applicable.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Not Applicable.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY2023	FY2022
Total Scope 1 emissions (CO2)	Metric tonnes of CO2 equivalent	144.51	30.41
Total Scope 2 emissions (CO2)	Metric tonnes of CO2 equivalent	4,595.04	3,349.92
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.00000016	0.00000015
Total Scope 1 and Scope 2 emission intensity (calculated on number of full time employees)		0.35	0.28

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Not Applicable.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2022	FY2021
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Not Applicable	Not Applicable
E-waste (B)	1.87 metric tonnes of e-waste safely disposed	0.86 metric tonnes of e-waste safely disposed
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Not Applicable.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not Applicable.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Not Applicable.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Not Applicable.

2. Provide the following details related to water discharged:

Not Applicable.

3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

Not Applicable.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY2023	FY2022
Total Scope 3 emissions	Metric tonnes of CO2 equivalent	8,839.97	7,049.48
Total Scope 3 emissions per rupee of turnover		0.0000003	0.0000003
Total Scope 3 emission intensity (calculated on number of full time employees)		0.65	0.59

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Not Applicable.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Not Applicable.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Applicable.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Microfinance Institutions Network (MFIN)	National
2	ASSOCHAM	National
3	Association of KarnatakaMicrofinance Institutions	State
4	Federation of Karnataka Chamber of Commerce and Industry	State
5	Odisha State Association for Financial Inclusion Institutions	State
6	Kerala Association of Microfinance Institutions	State
7	Uttar Pradesh Microfinance Association	State
8	The Association of Microfinance Institutions in West Bengal	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Nil.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Nil.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Nil.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Nil.

3. Describe the mechanisms to receive and redress grievances of the community.

Refer to Page 56 of Integrated Annual Report.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Nil.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Refer to Page 57 of Integrated Annual Report.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

(b) From which marginalized /vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

100% local procurement.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Nil.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Nil.

6. **Details of beneficiaries of CSR Projects.**
   Refer to Page 57 of Integrated Annual Report.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**
   Refer to Page 56 of Integrated Annual Report.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about environmental and social parameters.**
   Not Applicable

3. **Number of consumer complaints in respect of the following:**

	FY2023		Remarks	FY2022		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	2,933	Nil	-	3,189	1	-

4. **Details of instances of product recalls on account of safety issues.**
   Not Applicable.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.**
   Yes. https://www.creditaccessgrameen.in/governance/policies/

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services**
   Nil.

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BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT | FY 2023

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
   The information on goods and services of the business can be accessed on Company website (www.creditaccessgrameen.in), help desk, centre meetings.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
   The customers are provided with adequate training and assistance to ensure appropriate usage of the loan products available to support various lifecycle needs. At the time of customer on-boarding, Compulsory Group Training is conducted over three days to educate customers on responsible usage of various loan products, followed by interaction with branch manager and area manager to ensure customer understanding. Further, at the time of loan disbursement, branch manager reiterates the importance of credit discipline and responsible usage of loan to the customers. Furthermore, the minutes book captures the details on every centre meeting and in case of any deviations identified, corrective steps are taken to educate the customers.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
   Weekly/ bi-weekly centre meetings provide a robust platform to engage with customers and keep them informed about any risk of disruption/ discontinuation of essential services.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**
   Yes. As per Fair Practices code, the Company is required to display interest being charged and other practices being adopted by the Company in lending loans to its Borrowers. The loan passbook mentions details about the rate of interest, loan tenure, repayment cycle and repayment instalment, processing fees, insurance and other terms & conditions for all loan products.

   The Company regularly conducts customer satisfaction surveys relating to its products and services. Refer to Page 56 of Integrated Annual Report.

5. **Provide the following information relating to data breaches:**
   a. **Number of instances of data breaches along-with impact**
   b. **Percentage of data breaches involving personally identifiable information of customers**

   Nil.

MANAGEMENT DISCUSSION AND ANALYSIS – FY2023

I. Microfinance Industry: A Broad Perspective

A. Industry Overview: (Data as of March 31, 2023)

The Indian microfinance industry encompasses players from various segments catering to the unbanked and underserved sectors of the country including Non-Banking Financial Companies - Micro Finance Institutions (NBFC-MFIs), Banks, Small Finance Banks (SFBs), NBFCs, and non-profit MFIs. At the end of March 2023, the Indian microfinance industry's total gross loan portfolio (GLP) stood at ₹3.48 trillion, registering 22.0% YoY growth and catering to 66 million unique borrowers. The NBFC-MFI segment has regained leadership status after 4 years with a 39.7% share of the universe portfolio followed by Banks at 34.2%, SFBs at 16.6%, and NBFCs/Others at 9.5%. A total of 211 lending institutions served microfinance borrowers – 82 NBFC-MFIs, 13 Banks, 9 SFBs, 69 NBFCs, and 38 others. The microfinance sector is highly regulated by the Reserve Bank of India (RBI) and supported by two industry self-regulatory organisations (MFIN and Sa-Dhan).

The new harmonisation guidelines applicable from April 01, 2022, have ushered in a host of new opportunities with customer protection at the core given that microfinance is a vital credit delivery channel across hinterlands. The first quarter of FY23 witnessed a major focus on implementing the new guidelines. Certain players requested the regulator to extend the effective date of guidelines resulting in six months extension of the adherence date to October 01, 2022. The industry quickly acclimatised to the regulatory changes and is on a path of accelerated growth. The introduction of a board-approved pricing policy has led to the introduction of risk-based pricing and transparency on pricing. The narrative of maintaining good credit discipline has become stronger with such borrowers reaping the benefits of lower charges. Further, the non-qualifying asset limit increased to 25% which has given additional headroom for MFIs to diversify into the non-MFI product suite. The RBI has pegged the annual household income limit at ₹0.30 million for both urban and rural areas versus the previous guidelines allowing ₹0.125 million for rural and ₹0.20 million for urban areas. The incremental increase in income cap increases the scope of lending, with a higher number of borrowers falling under the microfinance ambit thereby enabling adequate credit to the customers. While the income levels have increased, the regulator has also introduced a balancing act by restricting the maximum FOIR of the household at 50%.

Despite rising inflation, the demand for credit in rural markets remains robust due to strong entrepreneurship opportunities, low penetration level and the underlying nature of microfinance loans used for income-generating activities. The model's resilience is driven by customers' involvement in multiple income-generating activities, especially from agri-allied activities that have better terms of trade in a rising inflation scenario resulting in a neutral or positive effect on their profit margins. Further, microfinance customers primarily conduct business in the essential services, thereby having minimal impact on their cashflows and weathering economic shocks.

B. NBFC- MFI

NBFC-MFIs, the market leaders, have shown strong growth momentum during FY23. The GLP grew 37.7% YoY to ₹1.38 trillion while the borrower base grew 7.7% YoY to 28 million, largely reflecting the effect of pent-up demand and writing-off of delinquent borrowers. During FY23, a total of ₹1.31 trillion was disbursed by the NBFC-MFIs, a 59.3% increase YoY, indicating that the disbursement levels have exceeded pre-covid levels. As the pandemic effect withers along with favourable guidelines in place, new avenues have opened up for NBFC-MFIs for increasing the client base through deeper rural penetration.

The NBFC-MFIs have time and again showcased their agility by quickly adapting to external macroeconomic disruptions. In FY17, following the demonetisation event, the industry shifted towards 100% cashless disbursements. However, given the customer ecosystem involving a high degree of cash involvement, cashless collections are expected to take longer to make material strides. The NBFC-MFIs currently operate through

18,739 branches, a 15.9% increase YoY and spread across the country, providing employment opportunities to 161,010 people.

The self-reported data of 49 NBFC-MFIs published in the MFIN Micrometer is categorised as Large, Medium, and Small according to their GLP. Companies with a GLP of more than ₹20,000 million falls under the large category whereas companies having a GLP between ₹5,000 million to ₹20,000 million and GLP of less than ₹5,000 million are categorised as medium and small entities respectively. Accordingly, there are 14 large, 11 medium, and 24 small entities operating of which 88% of the NBFC-MFI segment is held by large entities.

A profile of NBFC-MFIs is given below:

- Top Ten Large MFIs GLP contribute to 71.2% of the NBFC-MFI segment. As of March 31, 2023 rural portfolio contribution stood at 77.3%.
- Loans for Agri-Allied activities account for 63.5% of the GLP. Trade/services and manufacturing loans account for 34.2% while household finance loans account for 2.3% of GLP.
- Region-wise distribution of the portfolio is provided below.
  - South : 26%
  - West : 15%
  - North : 17%
  - Central : 10%
  - East and North-East : 32%
- Top 5 States - Bihar, Tamil Nadu, Karnataka, Uttar Pradesh, and Madhya Pradesh account for 50.2% of GLP. The top 10 States account for 79.2% of the total industry loan amount outstanding.

C. Industry Outlook

The microfinance sector continues to play a leading role in creating women entrepreneurs and formalizing the rural ecosystem by bringing them under the ambit of gross domestic product (GDP). The harmonization guidelines introduced have opened further growth opportunities by focusing on household needs. The NBFC-MFIs are expected to continue to lead the sector with risk-based pricing in place and spur product innovation given the increase in the regulatory threshold for offering non-microfinance products from 15% of net assets to 25% of total assets. With India being the largest microfinance market in the world and current penetration closer to 35-38% levels, there is a huge potential to provide formal credit across the hinterlands.

II. Competitive Strengths and Strategies

A. Higher Rural Penetration

Borrowers serviced by CreditAccess Grameen Limited (the "Company") in rural areas stood at 85% at the end of March 2023. Our modus operandi involves covering villages up to 30 Kms of radius from each branch office, foraying into unserved and underserved areas. The Company has continued to uphold its share in rural areas over the last five years. Details of the same have been provided in the below table:

Borrowers (Consolidated)	FY2019	FY2020	FY2021	FY2022	FY2023
Rural	82%	86%	85%	84%	85%
Urban	18%	14%	15%	16%	15%

B. Market Leadership

As of March 31, 2023, the Company on a consolidated basis held a 6.0% market share in the overall microfinance industry. The Company's market share across its top four states of business operations was 21.9% in Karnataka, 16.0% in Maharashtra, 9.1% in Tamil Nadu, and 6.7% in Madhya Pradesh. Within the NBFC-MFI segment, the Company maintained its position as the largest NBFC-MFI, with a 15.2% share of the total GLP.

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C. Customer Connect

Customer centricity lies at the heart of our business operations, as we continue to follow the traditional Grameen model. Employees engage with customers at Kendra meetings largely on a weekly and bi-weekly basis, according to the borrowers' convenience. These meetings serve as a platform for loan repayment, for customers to discuss their businesses, and to understand their needs and challenges. Along with loan-related transactions, employees impart knowledge to our customers on a plethora of vital topics such as financial literacy, responsible borrowing practices, hygiene, legal rights, etc. Additional programs such as Jagruti, Social Awareness Campaigns, and training are standard practices to improve our customer's overall exposure and financial resilience. Further, customer feedback is obtained at regular intervals, to enhance our existing product offerings and design new tailor-made products/services that address the specific requirements of our customers. This leads to higher customer satisfaction and loyalty.

D. Product Design – Customer oriented and Sustainable

Our unique product suite caters to the holistic needs of our clients. The Company positions customers at the centre of the brand strategy by understanding their requirements. Accordingly, the products are designed considering a "Life Cycle Approach" which involves supporting the borrower's requirements throughout their credit journey. Apart from our flagship product, Income-Generating loans, other loans such as primary education, higher education, medical emergencies, home improvement, emergency, water, and sanitation can be availed to serve the ever-changing demands of our borrowers through all facets of their lives.

Our company is always one step ahead of the curve in garnering a competitive advantage. In that regard, the customers can choose between weekly, bi-weekly, or monthly repayment frequency at the time of borrowing any loan product. Also, the customers have the flexibility to borrow as per their requirements within a predefined credit limit and further avail of multiple loans with varied sizes and tenures. We aim to strike a comfortable balance between retaining our high-vintage customers and adding new-to-credit borrowers. These are among the salient features offered by us, which are unique in the industry as well as worldwide, resulting in increased borrower retention, lower credit risk, and higher operational efficiency.

The Company's Vision 2025 entails being the preferred financial partner of Indian households at the bottom of the pyramid. In line with our agenda, we are strategically transitioning towards addressing the comprehensive financial needs of the entire household. By leveraging our extensive rural outreach coupled with close relationships with our target demographic, we have continuously evolved and identified certain products which are imperative in addressing their potential financial requirements. The company is currently running pilots in secured lending segments like gold loans, two-wheelers, and mortgages. While on the non-credit side, we are piloting innovative payments, saving, and investment products which is a true testament to the microfinance model going beyond the traditional credit delivery mechanism.

E. Employee Friendly Organisation

The company's employees are our strong suit and are considered the most valuable asset as the microfinance model is inherently a collection business. Over 90% of our field employees are freshers recruited from rural areas with diverse cultural backgrounds. Moreover, 50-60% of the feet on the street belong to the families of our clients. This provides them with direct access to the formal sector with career growth opportunities. Extensive on-site as well as classroom training programs are conducted as part of the employee onboarding process to inculcate customer-centric values that complement our company ethos. Effective compensation schemes are also designed that align with our performance-driven philosophy, including annual performance measurement and annual performance bonuses even at the loan officer level. Given the intensive travelling involved, field employees are fairly remunerated for the conveyance every week on a per kilometer basis recognizing their diligent efforts.

The Company is among the few MFIs in the industry following a 5-day work policy which has proved to enhance employee satisfaction and boost productivity. There are also various employee connect initiatives wherein we actively listen and obtain feedback to continually improve their experience. We made amendments to the leave policy by including six additional leaves annually especially for our women employees and further added a Special Occasion leave that can be availed once a year. The Company has been awarded "Great Place to Work" for the fourth time in a row and ranked among ranked among India's 25 Best Workplaces in the Banking, Financial, and Insurance (BFSI) sector for 2023 by the Great Place to Work Institute, India. Our excellent people practices and unwavering commitment to their well-being have fostered an inclusive environment.

F. Seasoned and Stable Management Team

Our strategy of building unique DNA through hiring and grooming the right management team has helped us navigate through various negative externalities in the last 24 years. Exemplary leadership and rich experience have been instrumental in driving our growth and expansion. i.e., Our core operations leadership team has been associated with us over the last two decades signifying our strong culture. We follow the highest degree of corporate governance driving home loyalty factors in the form of business prosperity and sustainability.

III. Opportunities and Threats

A. Opportunities

The microfinance industry has accelerated the relocation of capital to the bottom of the social pyramid through innovative services over the years. Indian microfinance market is highly evolved with strong regulation and system support in place supported by the availability of digital KYC, bank accounts for all populations, high mobile penetration, and well-functioning credit bureaus. The rural economy contributes 47% to the GDP but the rural credit share stands at a mere 10%. With 66 million active microfinance borrowers in the country, rural penetration has not even crossed the one-third level. The future sustainable growth will be drawn from rural areas involving a higher proportion of new to credit customers as more households have become eligible for MFI loans especially due to the increased regulatory income of ₹ 0.30 million. India is also a very young country and will remain so for a significant time period enabling newer households getting credit established on a continuous basis.

The need for embedding environmental, social, and governance (ESG) practices in the culture has grown multifold in the past few years. NBFC-MFIs by virtue of their business model have contributed to many sustainable development goals. Rural India has a large scope in the sustainability realm where MFIs deep presence and last-mile connectivity makes a strong case to attract ESG funding whilst increasing investment resilience.

The new microfinance guidelines further pave the way to meet the growing aspirations of our clientele by offering non-microfinance loans to an extent of 25% of total assets. NBFC-MFIs have the opportunity to leverage the existing relationship by extending secured lending products such as affordable housing, two-wheeler loans, commercial vehicle loans, gold loans, and loan against property to ones falling above the microfinance income bandwidth. With the help of comprehensive credit bureau reports, lenders can gain better visibility on the existing loans of the entire household. The microfinance sector plays an integral role in creating a funnel for low-income borrowers to be eligible for higher ticket-size loans in the future through the creation of a credit footprint.

Apart from traditional credit products, the players have ample opportunities to foray into non-credit financial products by leveraging the established last-mile connectivity to their extensive borrower network. Products such as insurance, saving/investment and payments can be offered through strategic partnerships with various partners.

B. Threats

The microfinance ecosystem has demonstrated remarkable resilience despite facing three major macroeconomic disruptions in the last seven years. The Joint Liability Group (JLG) model has proven to be operationally robust, ensuring stable growth in normal times and minimizing steep asset quality impact in downturns.

In the rising interest rate environment, microfinance institutions, especially medium and smaller NBFC-MFIs face pressure on the cost of borrowing front leading to an adverse impact on their Net Interest Margin due to competitive pressure. With the new harmonisation guidelines in place, the industry is now better positioned from a risk-reward perspective and can adjust its interest rate accordingly.

The rising effects of global warming are evident from widespread natural disasters witnessed across the country from droughts, and heatwaves to extreme floods. While the low-income borrowers are particularly vulnerable given their lack of infrastructure to withstand extreme natural disasters, they have also been a segment who have been able to come back faster, given their high entrepreneurship skills, multiple income sources and agility. CA Grameen also avoids such risks as far as possible by geographic diversification through widespread district presence, careful choice of operating locations etc. NBFC-MFIs have the ability to create cutting-edge products going beyond cookie-cutter offerings to protect basic standards of living and smoothen income streams.

The microfinance industry has witnessed the entry of various conglomerates given a massive growth opportunity lying ahead resulting in increased competition and customers served by various entities. The business nature being unsecured lending always poses the risk of accurate mapping of income and debt sources. With new microfinance guidelines in place with a maximum obligation of 50% of the household income, anomalies have been taken care to democratise access to capital.

New Initiatives

A. New Product Introduction

Our customers are the biggest inspiration in our pursuit of designing new products by providing flexible solutions to meet their dynamic needs. We launched and piloted various products over the past 12-15 months to meet the increasing needs of our graduated customers. This includes individual unsecured business loans, mortgage backed higher ticket business loans, gold loans, and new two-wheeler loans. The new two-wheeler loans were recently launched and have received a phenomenal response from our customers. The AEPS enabled cash withdrawals and wage loss insurance product has also received a strong response in the pilot stage and will be scaled further in the coming financial year. We also launched a two-wheeler insurance product to protect customers against accident expenses/theft, etc.

B. Process and Technology Improvements

Our information technology structure is highly responsive to evolving business requirements and achieving growth targets. We were among the first in the industry to adapt to harmonization guidelines requiring tweaks to our processes whereby household income assessment was built into customer onboarding applications, instant loan eligibility was activated adhering to the FOIR limits, etc. We introduced customer specific QR codes for cashless collections and SMS in vernacular languages.

Among other initiatives, robotic process automation was expanded across multiple functions including credit bureau validations, loan sanctions, customer grievance handling, and business process management helping improve business scalability. We have introduced offline functionality to reduce dependence on the core banking solution (CBS) and our upgrading the CBS to allow functional flexibility and API integration.

C. Opening of New Branches

The Company opened 167 new branches in FY23 across Bihar (42 branches in 26 districts), Chhattisgarh (2 branches in 2 districts), Gujarat (17 branches in 10 districts), Jharkhand (5 branches in 3 districts), Karnataka (3 branches in 3 districts). Madhya Pradesh (8 branches in 8 districts), Maharashtra (16 branches in 11 districts), Rajasthan (28 branches in 11 districts), Tamil Nadu (9 branches in 9 districts), Uttar Pradesh (20 branches in 10 districts), and West Bengal (17 branches in 6 districts). The branch expansion was in line with the company's contiguous district-based expansion strategy, with a primary focus on new geographies.

IV. The Company's Operational Perspective

A. Customers Profile:

The microfinance model thrives on social collateral where group members provide a mutual guarantee for each other, addressing the issue of information asymmetry. The table below shows, the distribution of the borrowers based on their vintage with the Company.

Borrower Vintage	FY2019	FY2020	FY2021	FY2022	FY2023
Less than 1 year	33%	17%	13%	15%	25%
1-3 years	34%	48%	52%	35%	22%
3-6 years	25%	23%	23%	33%	36%
6 years and above	8%	12%	12%	17%	17%

B. Profitability

For the period ended March 31, 2023, the Company's pre-provision operating profit grew 39.8% to ₹15,064.45 million as against ₹10,775.31 million during the same period in the previous year. The Company's profit after tax stood at ₹8,260.60 million as against ₹3,530.80 million during the same time period in the previous year, an increase of 134.0%. Total revenue from operations for FY23 grew at a healthy pace of 29.1% to ₹35,507.90 million as against ₹27,501.32 million during the same period in the previous year. Total expenses stood at ₹24,453.66 million as compared to ₹22,693.43 million during the same period in the previous year, an increase of 7.8%.

C. Financial Performance

As of March 31, 2023, the portfolio yield stood at 18.9% as against 18.3% in the previous financial year. The cost-to-income ratio at the end of March 2023 was 35.6% as against 39.0% during the same period in the previous year. The operating cost to Gross Loan Portfolio ratio for FY23 stood largely stable at 4.7%, compared to 4.9% in the previous year.

D. Funding Trends

The changes in the outstanding borrowings from different sources during FY2023 in comparison to previous years can be seen in the below table:

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In ₹ Million	FY2019	FY2020	FY2021	FY2022	FY2023
Public Sector Banks	1,217.06	44,770.53	25,052.30	30,470.70	28,847.42
Private and Foreign Banks	25,460.44	15,897.77	46,017.22	60,819.18	80,688.30
Securitization/ Direct Assignment (sold portion)	7,073.30	6,186.70	12,685.01	11,904.41	16,278.61
NCDs (FPIs) and ECBs	7,082.00	9,362.48	9,811.94	10,097.94	23,395.15
NBFCs, FIs, NCDs (Domestic) and Others	13,086.25	24,099.44	27,790.65	27,212.19	28,481.12
Total	**53,919.05**	**100,316.92**	**121,357.12**	**140,504.42**	**177,690.60**

E. Treasury and Cash management system

The Company has an integrated Treasury and Cash Management system that operates the complete cash/bank operations, handles pooling of excess funds from branches and funding disbursement, debt repayment, payments to vendors, employees for salaries, and investment of surplus funds, if any.

Ratios:

(₹ in millions)

Interest Coverage Ratio	FY2023	FY2022
PBT	11,054.24	4,807.89
Interest expense	12,128.84	9,841.40
EBIT	**23,183.08**	**14,649.29**
Interest expense	12,128.84	9,841.40
Interest coverage ratio	1.91	1.49
Debt Equity Ratio		
Debt	163,122.57	129,206.87
Equity (incl. minority interest)	51,069.70	41,669.11
Ratio	**3.19**	**3.10**
Interest income	33,271.33	25,673.34
Income from direct assignment	1,190.06	699.89
Finance cost	12,128.84	9,841.40
Operating Profit (before other expenses)	**22,332.55**	**16,531.83**
Total Revenue from operations	35,507.90	27,501.32
Operating profit margin (before operating expenses)	62.89%	60.11%
Profit after tax	8,260.60	3,530.75
Net Profit margin	**23.26%**	**12.84%**
Current ratio (Taken from ALM)		
Current assets	130,458.47	106,875.13
Current liabilities	83,133.15	74,208.00
Current ratio	**1.57**	**1.44**
Return on Equity (PAT / Quarterly Average Total Equity)	**17.97%**	**9.03%**

F. Operational Trends

Particulars	FY2019	FY2020	FY2021	FY2022	FY2023	CAGR* (%)
Branches	670	1,393	1,424	1,635	1,786	27.78%
Districts	157	248	265	319	352	22.37%
Borrowers	2,469,837	4,055,486	3,911,619	3,823,724	4,264,269	14.63%
Loans disbursed (₹ Millions)	82,212	103,892	110,112	154,663	185,390	22.54%
Gross AUM (₹ Millions)	71,593	119,961	135,869	165,994	210,313	30.92%
Field Officers	5,768	9,688	9,559	10,770	11,354	18.45%
Total Staff	8,064	14,496	14,399	15,667	16,759	20.07%
Repayment Rate:	98.81%	98.61%	92.21%[1]	93.19%	97.31%	-
PAR (₹ Millions):	579	3,671	9,040	8,088	3,124	-
Funds availed during the year (₹ Millions)	50,931	81,011	80,658	101,114	134,324	27.44%

1) Since there was a loan moratorium applicable during Apr-20 to Aug-20, FY21 repayment rate is calculated over Sep-20 to Mar-21
*CAGR is calculated for the change during the last 4 years

Our borrower retention rate of over 84% in the past 5 years is a testament to our approach of creating women entrepreneurs by providing them with suitable and affordable products. Our attrition rate has been largely arrested as we continue to foray into the hinterlands.

CA Grameen %	FY2019	FY2020	FY2021	FY2022	FY2023
Borrower Retention Rate	87%	85%	87%	84%	88%

G. Gross AUM and Borrower Distribution:

The Company has an operational presence in Karnataka (KA), Maharashtra (MH), Tamil Nadu (TN), Chhattisgarh (CG), Madhya Pradesh (MP), Kerala (KL), Odisha (OD), Goa (GA), Puducherry (PY), Jharkhand (JH), Gujarat (GJ), Rajasthan (RJ), Bihar (BR), Uttar Pradesh (UP) and West Bengal (WB). Our expansion approach is centered around a contiguous district strategy enabling cultural familiarity.

State-wise Gross AUM Distribution

Consolidated Figures										
(In ₹ Million)	FY2019		FY2020		FY2021		FY2022		FY2023	
State	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age
KA	37,624	52.6%	48,020	40.0%	51,941	38.2%	59,639	35.9%	69,774	33.2%
MH	18,451	25.8%	28,969	24.1%	31,863	23.5%	35,684	21.5%	43,896	20.9%
TN	7,465	10.4%	23,894	19.9%	25,167	18.5%	34,581	20.8%	42,498	20.2%
MP	5,470	7.6%	9,141	7.6%	11,132	8.2%	12,238	7.4%	14,104	6.7%
OD	371	0.5%	2,408	2.0%	3,380	2.5%	5,026	3.0%	6,255	3.0%
BR			2,028	1.7%	3,156	2.3%	5,138	3.1%	9,343	4.4%
CG	2,044	2.9%	2,428	2.0%	2,683	2.0%	2,962	1.8%	4,341	2.1%
KL	105	0.1%	1,789	1.5%	2,440	1.8%	3,200	1.9%	5,242	2.5%
JH			394	0.3%	1,207	0.9%	2,267	1.4%	3,594	1.7%
RJ			176	0.1%	660	0.5%	1,605	1.0%	3,072	1.5%
GJ			167	0.1%	601	0.4%	1,071	0.6%	2,208	1.0%
UP			72	0.1%	441	0.3%	1,579	1.0%	4,159	2.0%
WB			42	0.0%	363	0.3%	519	0.3%	1,221	0.6%
PY	53	0.1%	413	0.3%	362	0.3%	419	0.2%	488	0.2%
GA	11	0.0%	19	0.0%	22	0.0%	67	0.0%	119	0.1%
Total	**71,593**		**119,961**		**135,869**		**165,994**		**210,313**	

State-wise Borrowers Distribution

Consolidated Figures										
	FY2019		FY2020		FY2021		FY2022		FY2023	
State	Borrowers	% age	Borrowers	% age	Borrowers	% age	Borrowers	% age	Borrowers	% age
KA	1,135,440	46.0%	1,261,247	31.1%	1,165,415	29.8%	1,077,335	28.2%	1,121,392	26.3%
MH	691,999	28.0%	903,757	22.3%	841,370	21.5%	791,560	20.7%	849,969	19.9%
TN	274,521	11.1%	1,113,385	27.5%	996,722	25.5%	911,649	23.8%	920,211	21.6%
MP	256,141	10.4%	323,098	8.0%	325,060	8.3%	312,475	8.2%	325,666	7.6%
OD	14,652	0.6%	121,438	3.0%	139,619	3.6%	149,699	3.9%	167,934	3.9%
BR			93,610	2.3%	130,165	3.3%	158,135	4.1%	234,518	5.5%
CG	91,129	3.7%	100,228	2.5%	89,670	2.3%	83,297	2.2%	101,870	2.4%
KL	3,549	0.1%	85,987	2.1%	98,408	2.5%	99,741	2.6%	121,665	2.9%
JH			14,329	0.4%	37,559	1.0%	70,224	1.8%	97,573	2.3%
RJ			6,182	0.2%	21,286	0.5%	51,256	1.3%	96,791	2.3%
GJ			6,164	0.2%	19,673	0.5%	37,448	1.0%	66,586	1.6%
UP			2,762	0.1%	14,803	0.4%	45,376	1.2%	107,713	2.5%
WB			1,366	0.0%	11,857	0.3%	18,936	0.5%	39,015	0.9%
PY	2,024	0.1%	21,123	0.5%	19,180	0.5%	14,909	0.4%	10,436	0.2%
GA	382	0.0%	810	0.0%	832	0.0%	1,684	0.0%	2,930	0.1%
Total	**2,469,837**		**4,055,486**		**3,911,619**		**3,823,724**		**4,264,269**	

Product wise split of Gross AUM

(In ₹ Million)	Figures									
State	FY2019		FY2020		FY2021		FY2022		FY2023	
	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age
Income Generation Loans	60,878	85.0%	105,470	87.9%	128,384	94.5%	159,490	96.1%	200,895	95.5%
Family Welfare Loans	928	1.3%	1,678	1.4%	232	0.2%	377	0.2%	668	0.3%
Home Improvement Loans	6,433	9.0%	7,696	6.4%	3,108	2.3%	4,144	2.5%	6,977	3.3%
Emergency Loans	99	0.1%	126	0.1%	17	0.0%	28	0.0%	86	0.0%
Retail Finance Loans	3,255	4.5%	4,991	4.2%	4,128	3.0%	1,955	1.2%	1,683	0.8%
Total	**71,593**		**119,961**		**135,869**		**165,994**		**210,313**	

Product wise split of Gross AUM

	Figures				
	FY2019	FY2020	FY2021	FY2022	FY2023
KA	30	30	31	31	31
MH	31	32	32	32	32
TN	30	36	37	37	37
MP	30	36	37	43	45
OD	13	24	24	24	24
BR	0	15	18	31	36
CG	17	19	19	20	22
KL	3	8	8	12	12
JH	0	14	17	19	21
RJ	0	11	16	22	26
GJ	0	8	10	20	25
UP	0	7	8	18	27
WB	0	4	4	6	10
PY	1	2	2	2	2
GA	2	2	2	2	2
Total	**157**	**248**	**265**	**319**	**352**

Number of Districts – District Exposure As % of Gross AUM

	Figures				
	FY2019	FY2020	FY2021	FY2022	FY2023
<0.5%	105	186	205	281	290
0.5-1%	19	28	28	27	38
1-2%	23	27	27	9	20
2-4%	8	7	5	2	4
>4%	2	0	0	0	0
Total	**157**	**248**	**265**	**319**	**352**

Number of Districts – District Exposure As % of Borrowers

	Figures				
	FY2019	FY2020	FY2021	FY2022	FY2023
<0.5%	100	177	195	252	282
0.5-1%	25	40	46	45	52
1-2%	22	27	21	19	16
2-4%	9	4	3	3	2
>4%	1	0	0	0	0
Total	**157**	**248**	**265**	**319**	**352**

H. Human Resources (HR)

The Company strongly abides by its Vision to be Committed, Reliable, Empathetic, Accountable, Transparent, Efficient and demonstrates learning & agility in business operations. Building an environment of trust and mutual respect is one of the company's constant endeavor. While there is a challenge in attracting the right talent as well as retaining them, the Company was able to build and implement practices that have helped in retaining talent. It is a constant effort to improvise from where the Company stands in terms of benefits, rewards, and recognition. The Company also has innovative benefits like gifts on birthdays, weddings, sibling wedding, and for children. While the 5-day week schedule of the company is unique for the microfinance industry, the Company has been providing other facilities like guest house arrangements for its entire field force. There has also been a systematic approach to increase the efficiency and support internal stakeholders using technology such as mobile apps and HRIS support systems.

HR Highlights

- 16,759 permanent employees on a consolidated basis as on March 31, 2023 with an attrition rate of 40.35%
- No pending concerns under labour compliances, sexual harassment, and disciplinary issues

In-house Training

The in-house training team manages as well as provides the necessary training for freshers as well as people management trainings and leadership development training for mid-level managers. The training programs and talent development have enabled the Company to identify and nurture leaders who can take charge of the organization in the years to come. This is apart from our regular requirements for operational productivity. Specific emphasis has been provided to train and test employees on the Code of Conduct, Client Protection Principles, and Anti Sexual harassment policy.

Some of the training programs that have been provided to employees are as follows:

- Basic training programs conducted for trainees in field operations
- Refresher training & product level training based on operational requirements
- Induction training for lateral staff hires
- People Management Program for field managers
- Departmental Process training and orientation programmes for new recruits and promoted employees
- Leadership training programmes for all manager-level employees
- Process enhancement workshops for the employees based on requirement

Training Type	Number of Hours	Number of staff trained
Refresher trainings - product, process, policies workshops	380	43,037
Induction training - new hires	576	11,517
Soft skills development trainings	88	4,446
Skill enhancement trainings	64	511
New Initiatives / Products trainings	48	29,894

I. Internal Controls and its adequacy

The Internal Audit department is guided by a philosophy of mapping emerging risks and potential opportunities with the strategic priorities defined. It gives advice and insights acting as a proactive measure while evaluating business practices. The internal controls defined at CA Grameen provide reasonable assurance to the stakeholders relating to the quality and effectiveness of the governance framework and risk management. We follow a robust internal control framework wherein the audit members are handpicked having an in-depth knowledge of operations. An in-house internal audit software platform enables managing audits across all branches, regional offices, field audits, and the Head Office with well-documented policies, procedures, and authorization guidelines in place. The entire branch audit life cycle is digitised being conducted every 60 days. The audited branches are assigned compliance scores based on the extent of adherence to systems, policies, and procedures. Time critical observations are escalated to the management on a real-time basis for immediate attention and action.

The internal audit function with strict accountability for confidentiality has unrestricted access to the Company's records, physical properties, and personnel associated with carrying out any engagement. The internal audit activity also has free and direct access to the Board. The significant findings and action points emanating from audit reports are reported to the Audit Committee on a quarterly basis.

J. Risk Management

The company has an enterprise wide risk-governance framework that monitors and analyse various risks. It also recommends risk management strategies and prepares stress tests and scenario plans to gauge risk appetite. Top risk events are prioritized based on frequency, ease of detection, and severity. The key activities of the risk management function include identifying material risks and measuring the company's exposure to them, monitoring any such activities posing a threat to breach board-approved risk limits, and establishing an early warning signal. We follow the Risk and Control Self-Assessment (RCSA) framework which is embedded into our overarching business strategy.

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The Management Level Risk Committee comprising all department heads meets monthly to discuss and formulate mitigation strategies for any risk arising relating to their respective domains. It is reported to the Risk Management Committee of the Board of Directors every quarter. The Risk Management Committee of the Board comprises qualified directors who are aware of the risks specific to the Company and sectoral-related risks. The Board oversees the implementation of the risk management plan principally through the Risk Management Committee.

K. Information Technology

The Information Technology team in the Company has continually focused on implementing a centralized and consolidated Information System to enable a smooth and swift flow of information and data across the system. This has enabled the Company to control the cost of operations and provide improved services to customers. The Company has focused its efforts towards embracing state-of-the-art technology solutions to support the Company's growth and enhance the efficiency of its operations. The company has made significant progress on the enhancement of mobile device based data entry for customer onboarding, instant credit checks for new loan applications as well as field collections. All the field officers are provided with tablets for data entry and are enabled with android based apps for entry of loan collections, foreclosures, disbursements as well as for new customer onboarding.

Annexure VII

REPORT ON CORPORATE GOVERNANCE

I. CORPORATE GOVERNANCE PHILOSOPHY

CreditAccess Grameen Limited ("CA Grameen"/"the Company") follows the highest standards of ethics, governance and compliance in its day-to-day business operations, which has not only helped the Company to weather the turbulent times that the Microfinance (MFI) industry had to face, from time to time, but has also demonstrated the Company's resilience in coming out of any financial crisis unscathed. This has also further ensured sustained access to capital and debt markets on a continuous basis. The Company is committed to strengthening this approach through continuous innovation & adaptability in the light of changing business and regulatory landscape.

In India, Corporate Governance standards for Listed NBFCs are mandated under the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), RBI Master Circular – Non-Banking Financial Company – Corporate Governance (RBI) Directions, 2015, Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, as amended from time to time ("RBI Circulars" / "RBI Guidelines") and RBI Master Circular dated October 22, 2021 on 'Scale Based Regulation (SBR): A Revised Regulatory Framework' for NBFCs, ("Scale Based Regulations") and other relevant Circulars / Guidelines issued by RBI in this regard from time to time.

As per the Policy statement & purpose of the Corporate Governance Policy, the Company is committed to highest standards of professionalism, ethics, accountability and integrity as well as to follow best practices in Corporate Governance, disclosure and transparency in its business operations. The Company always strives to achieve the best and constantly endeavors to improve upon its standards.

II. BOARD OF DIRECTORS

a. Composition

i. As on March 31, 2023, the Company's Board comprised of eight (8) Directors drawn from diverse fields/ profession, including four (4) Independent Directors. The Chairman of the Board is a Lead Independent Director.

ii. The name and categories of Directors on the Board, number of Board and Committees in which a Director is a Member / Chairperson, name of other listed entites in which a Director holds directorship along with the details of their shareholding are given below:

Name of the Directors/ Category	Number of Directorships held in public companies, excluding CA Grameen[1]		Directorship in other Listed Entity/ies excluding CA Grameen	Number of Committee positions in public companies[2]		No. of equity shares/ Convertible instruments[3] held in the Company
	Member-ship	Chair-manship		Member-ship	Chairman-ship	
Mr. George Joseph, Chairman & Lead Independent Director (Since September 2015)	3	Nil	Wonderla Holidays[4] Limited (Non-Executive)	5	3	1,000
Mr. Sumit Kumar, Nominee Director (Since August 2016)	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Massimo Vita, Nominee, Director (Since July 2017)	Nil	Nil	Nil	1	Nil	Nil
Mr. Paolo Brichetti, Vice-Chairman & Non-Executive Director (Since October 2022)	Nil	Nil	Nil	Nil	Nil	13
Ms. Lilian Jessie Paul, Independent Director (Since September 2020)	3	Nil	1. Expleo Solutions Limited 2. Bajaj Consumer Care Limited 3. PB Fintech Limited (Independent)	4	1	Nil
Mr. Manoj Kumar, Independent Director (Since October 2019)	Nil	Nil	Nil	1	Nil	Nil
Ms. Rekha Warriar, Independent Director (Since October 2022)	3	Nil	1. IIFL Securities Limited 2. IIFL Wealth Prime Limited 3. IIFL Facilities Service Limited (Independent)	4	2	Nil
Mr. Udaya Kumar Hebbar, Managing Director & CEO (Since July 2015)	Nil	Nil	Nil	1	Nil	2,91,280

[1] Excluding Directorship in private limited companies, foreign companies and companies under Section 8 of the Act;
[2] Audit Committee and Stakeholders' Relationship Committee in Public Limited Companies alone are considered.
[3] The Company has not issued any Convertible instruments and none of the Directors hold such instrument;
[4] Ceased to be a Director since May 24, 2023

iii. As at March 31, 2023, the composition of the Board & its Committees is in conformity with the applicable provisions of the Act, Regulation 17 of SEBI Regulations & applicable RBI Circulars on the Corporate Governance requirements relating to constitution of various committees of the Board, as stipulated from time to time.

iv. None of the Directors on the Board hold directorship in more than ten public companies; Further, as per the disclosures & declarations received from Independent Directors, none of them serve as an independent director in more than seven listed entities or in more than three listed entities where he/she is a Whole time Director / Managing Director. Also, none of them are a member of more than ten committees or Chairman of more than five Committees across all the listed companies in which he/she is a Director. As per Scale Based Regulations of RBI, none of the Independent Directors are on the Board of more than three NBFCs. Also, none of the Key Managerial Personnel (KMP) holds office in any other NBFC-ML or NBFC-UL. The offices held by the Directors are in compliance with applicable provisions of the, SEBI Regulations and RBI Circulars. Detailed profile of the Directors is available on the website of the Company at https://www.creditaccessgrameen.in/governance/board-of-directors/

v. There are no relationships between directors inter-se.

vi. In the opinion of the Board, the Independent Directors continue to meet the criteria of independence as specified in the SEBI Regulations and are Independent of the Management.

vii. The Company has in place a policy on Board Diversity, which is being ensured through consideration of various factors including but not limited to skills, regional and industry experience, background and other qualities. The skills/ expertise / competence of Directors as identified by the Board, as required in the context of business of the Company are given below:

Skills/ Expertise/ Competence	Massimo Vita	Sumit Kumar	Jessie Paul	George Joseph	Manoj Kumar	Paolo Brichetti	Rekha Warriar	Udaya Kumar
Banking Operations				✓	✓		✓	✓
Audit & Financial Statements	✓	✓	✓	✓				✓
Financing	✓	✓	✓	✓	✓	✓		✓
Investment	✓	✓			✓	✓		
Risk Management	✓	✓	✓	✓	✓		✓	✓
Entrepreneurship	✓	✓	✓		✓	✓		✓
Micro Finance	✓	✓	✓			✓	✓	✓
Management	✓	✓	✓	✓	✓	✓		✓
Information Technology		✓	✓		✓			✓
Human Resource Development	✓	✓	✓					✓
Regulatory & Compliance				✓			✓	✓

viii. During FY23, the Company has not advanced loans to any of its Directors or firms / companies in which the Directors are interested and there was no pecuniary relationship or transactions with the non-executive directors.

ix. Board Meetings

The Board met eight (8) times during FY23 on April 29, 2022, May 12, 2022, June 17, 2022, July 29, 2022, October 21, 2022, February 07, 2023, February 15, 2023 and March 21, 2023. The time gap between any two of the said meetings had not exceeded one hundred and twenty days.

Attendance at Board Meetings:

Date of Meeting	George Joseph	Paolo Brichetti*	Massimo Vita	Sumit Kumar	Manoj Kumar	Udaya Kumar	Jessie Paul	Rekha Warriar**	Sucharita Mukherjee***
April 29, 2022	✓	NA	✓	✓	LOA	✓	✓	NA	✓
May 12, 2022	✓	NA	✓	✓	✓	✓	✓	NA	LOA
June 17, 2022	✓	NA	✓	✓	✓	✓	✓	NA	✓
July 29, 2022	✓	NA	✓	✓	✓	✓	LOA	NA	LOA
Oct. 21, 2022	✓	✓	✓	✓	✓	✓	✓	✓	NA
Feb. 07, 2023	✓	✓	✓	✓	✓	✓	LOA	✓	NA
Feb.15, 2023	✓	✓	✓	✓	LOA	✓	LOA	LOA	NA
Mar. 21, 2023	✓	✓	✓	✓	✓	✓	✓	✓	NA

* Appointed as Vice-Chairman & Non-Executive Director with effect from October 21, 2022
** Appointed as an Independent Director with effect from October 21, 2022
*** Retired as an Independent Director with effect from close of business hours on September 10, 2022

Attendance at General Meeting(s):

Date of Meeting	Massimo Vita	Sumit Kumar	George Joseph	Sucharita Mukherjee	Manoj Kumar	Udaya Kumar Hebbar	Jessie Paul	Paolo Brichetti*	Rekha Warriar*
Annual General Meeting									
July 25, 2022	✓	✓	✓	-	✓	✓	-	NA	NA
NCLT Convened Meeting									
April 25, 2022	-	✓	✓	✓	✓	✓	✓	NA	NA

*Appointed w.e.f. October 21, 2022

Information provided to the Board of Directors

The Company provides complete information to the Board/ Committees by circulating the detailed notes to agenda with sufficient notice well in advance of the date of the Board/Committee meetings, except for the meetings called at a shorter notice, if any.

The Company diligently ensures that the information furnished by Management to the Board is comprehensive and of a very high order.

The Board reviews periodical compliances of all applicable laws, rules and regulations and the statements submitted by the Management. The members of the Board have a conducive environment to express their opinion on the Board matters and the decisions are taken after detailed deliberations.

Independent Directors' Meeting

In compliance with Schedule IV to the Act and Regulation 25 of SEBI Regulations, the Independent Directors had a separate meeting on February 06, 2023, without the presence of non-independent directors and members of the Management, *inter alia*, to discuss the following:

a) review the performance of non-independent directors and the board of directors as a whole;

b) review the performance of the chairperson of the Company, taking into account the views of executive directors and non-executive directors;

c) assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board that is necessary for the Board of directors to effectively and reasonably perform their duties; and

d) Other matters.

x. Familiarization program to Directors

With a view to familiarize the Independent Directors as required under the SEBI Regulations, the Company has held various programs during the year under review.

The details of familiarization program for FY23 are placed on the Company's website at https://www.creditaccessgrameen.in/investors/shareholder-services/corporate-governance/

xi. Remuneration of Directors

Remuneration policy

The Company has in place a Compensation Policy for Directors, KMPs & Senior Management which is guided by the principles and objectives as enumerated in Section 178 of the Act, applicable provisions of the SEBI Regulations and the RBI guidelines. The said Policy is disclosed on our website at https://www.creditaccessgrameen.in/wp-content/uploads/2023/02/CreditAccess-Grameen_Policy-on-Remuneration-to-Directors-KMP-Senior-Management.pdf The compensation to Managing Director & Chief Executive Officer and other Senior Management is within the limits prescribed under the Act and in accordance with the said policy. The Managing Director is not paid any sitting fees for the Meetings attended by him. The Nomination and Remuneration Committee conducts an annual appraisal of the performance of Managing Director & CEO, KMPs and other Senior Management personnel based on a performance-related matrix.

Remuneration to Mr. Udaya Kumar Hebbar, MD & CEO for FY23

(₹ in million)

Gross Salary	Commission	Pension	Others perquisites	Total Compensation
34.50	N.A	N.A	Nil	34.50

Stock Option details:

Total number of Options granted	Number of Options exercised during the year	Total number of Options outstanding	Total number of Options yet to be vested
10,39,900	1,30,000	4,39,900	2,22,275

The gross salary including perquisites & benefits, if any, payable to the Managing Director forms part of the fixed component of his remuneration, whereas the bonus amount and long-term benefits in the form of grant of Employee Stock Options forms part of the performance linked incentives.

Other terms of employment:

a. Term of agreement - 2 years effective from June 26, 2023 to June 25 2025.

b. Notice period: 60 days written notice for good reason otherwise 120 days written notice.

c. Severance Package: The Company would be liable to pay, within thirty (30) days following the termination of the Employment Agreement with MD & CEO, in cases other than extension of his period of employment or termination due to material failure by the Company to comply with the Employment Agreement, the aggregate of the amounts described below:

   i. an amount equal to 9 (nine) months of his most recent salary.

   ii. Any other lawful amounts due to him.

Remuneration to Non-Executive Directors including Independent Directors

The Non-Executive Directors (NEDs) were paid sitting fees and the Independent Directors (IDs) were eligible for Commission in addition to sitting fees for the period under review. There has been a revision in the sitting fee structure during the year w.e.f. June 17, 2022, subsequent to which, the sitting fee payable to NEDs and the IDs along with the commission amount payable to only IDs is as per the criteria on payment of remuneration to NEDs, a copy of which is available on the Company's website at https://www.creditaccessgrameen.in/wp-content/uploads/2023/06/CreditAccess-Grameen_Payment-to-Non-Executive-Directors_Policy.pdf

(₹ in Million)

Name of the Directors	Sitting fees	Commission*
	FY 2022-23	FY 2022-23
Mr. Paolo Brichetti	0.35	NA
Mr. George Joseph	1.72	2.50
Ms. Sucharita Mukherjee	0.115	0.08
Mr. Manoj Kumar	1.16	1.96
Mr. Massimo Vita	1.415	NA
Mr. Sumit Kumar	1.005	NA
Ms. Jessie Paul	0.53	1.50
Ms. Rekha Warriar	0.425	1.16
Total	**6.72**	**7.92**

Apart from the above, there are no other pecuniary relationship or transactions with the NEDs and IDs.

* Paid as per the statutory provisions of the Act and within the limits approved by the shareholders.

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III. COMMITTEES OF THE BOARD – COMPOSITIONS AS ON MARCH 31, 2023

The Board has *inter-alia*, constituted the below committees as required under the Act, SEBI Regulations and RBI Guidelines to delegate particular matters that require greater and more focused attention in the affairs of the Company.

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility and Environmental, Social & Governance Committee
5. Risk Management Committee
6. Asset Liability Management Committee
7. IT Strategy Committee
8. Executive, Borrowings and Investment Committee

There were no instances during the year, where the Board of Directors of the Company did not accept the recommendation of any of the Committees.

The Board takes all decisions pertaining to the constitution of committees, fixes the terms of reference of Committees and delegates powers from time to time. The Minutes of the Meetings are placed before the Board. The details of composition of these Committees, details of Meetings held during the year and the related attendance, are provided below:

1. AUDIT COMMITTEE

The Audit Committee inter-alia oversees the financial reporting process and reviews, with the Management, the financial statements to ensure that the same are correct and credible. The Audit Committee has the ultimate authority and responsibility to select and evaluate the Independent Auditors in accordance with the applicable laws. The Audit Committee also reviews performance of the Joint Statutory Auditors, the Internal Auditors, adequacy of the internal control system and whistle-blower mechanism.

As on March 31, 2023, the Audit Committee comprised of four (4) members including three (3) Independent Directors. Mr. George Joseph is the Chairman of the committee. All members have accounting or related financial management expertise.

During the year under review, the Audit Committee met 5 (Five) times on 12.05.2022, 29.07.2022, 21.10.2022, 07.02.2023, and 21.03. 2023. The composition and the details of attendance at the Audit Committee meetings are given below:

Date of Meeting	George Joseph[1]	Massimo Vita[2]	Manoj Kumar[3]	Rekha Warriar[4]	Paolo Brichetti*	Sucharita Mukherjee**
12.05.2022	✓	✓	✓	NA	NA	LOA
29.07.2022	✓	✓	✓	NA	NA	LOA
21.10.2022	✓	✓	✓	NA	NA	NA
07.02.2023	✓	✓	✓	✓	NA	NA
21.03.2023	✓	✓	✓	✓	NA	NA

[1] Member of the Committee since January, 2018
[2] Member of the Committee since July, 2017
[3] Member of the Committee since January, 2020
[4] Member of the Committee since October, 2022
* Appointed as a member w.e.f. October 31, 2022 and ceased to be a Member w.e.f. January 13, 2023
** Ceased to be a member of the Committee w.e.f. September 10, 2022

Mr. Balakrishna Kamath, Chief Financial Officer, is responsible for the finance function of the Company. Further, the Head of Internal Audit and the representatives of the Joint Statutory Auditors are regularly invited to attend meetings of the Audit Committee. Mr. M. J. Mahadev Prakash, Company Secretary & Chief Compliance Officer, acts as the Secretary to the Audit Committee.

2. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The grievances of various stakeholders are reviewed by the Stakeholders' Relationship Committee ("SRC").

The SRC is comprised of three (3) members, including two (2) Independent Directors and Managing Director. Ms. Jessie Paul is the Chairperson of the Committee. Mr Mahadev Prakash, Company Secretary & Chief Compliance Officer acts as Secretary to the Committee.

During the year under review, SRC met Four (4) times on 11.05.2022, 28.07.2022, 20.10.2022 and 06.02.2023. The composition of SRC along with the details of attendance of members at the said Meetings are given below:

Date of Meeting	Jessie Paul[1]	George Joseph[2]	Udaya Kumar	Sumit Kumar*	Sucharita Mukherjee**
11.05.2022	NA	✓	✓	NA	LOA
28.07.2022	NA	✓	✓	NA	LOA
20.10.2022	NA	✓	✓	✓	NA
06.02.2023	LOA	✓	✓	NA	NA

[1] *Member (Chairperson) of the Committee since October, 2022*
[2] *Member of the Committee since January, 2018*
[3] *Member of the Committee since November,2020*
* *Appointed as a member w.e.f. September 10, 2022 and ceased to be a member w.e.f. October 21, 2022*
** *Ceased to be a member of the Committee w.e.f. September 11, 2022*

The functions and powers of SRC include review and resolution of grievances of all shareholders, debenture holders and the customers of the Company; dealing with all aspects relating to the issuance and allotment of shares, debentures, other securities and matters connected therewith.

Details of investor complaints received and redressed during FY23 are as under:

Particulars	No. of complaints
Pending at the beginning of the year	Nil
Received during the year	100
Resolved during the year	100
Not solved to the satisfaction of shareholders	Nil
Pending complaints at the end of the year	Nil

3. NOMINATION AND REMUNERATION COMMITTEE

The functions of Reference of Nomination & Remuneration Committee ("NRC") include formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees, Formulation of criteria for evaluation of independent directors and the Board, devising a policy on Board diversity, Identification of persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and carrying out the evaluation of each director's performance.

As on March 31, 2023, NRC comprised of three (3) members. Mr. Paolo Brichetti and Ms. Jessie Paul are the members and Mr. Manoj Kumar is the Chairman of the committee.

During the year under review, NRC met three (3) times, on 11.05.2022, 20.10.2022, and 06.02.2023. The composition of NRC along with the details of attendance of the Members at the said meetings are given below:

Date of Meeting	Manoj Kumar[1]	Jessie Paul[2]	Paolo Brichetti[3]	Massimo Vita*	Sucharita Mukherjee**
11.05.2022	✓	✓	NA	NA	LOA
20.10.2022	✓	✓	NA	✓	NA
06.02.2023	✓	LOA	✓	NA	NA

[1] *Member of the Committee since January, 2020*
[2] *Member of the Committee since November, 2020*
[3] *Member of the Committee since October, 2022*
* *Appointed as a member w.e.f. September 10, 2022 and ceased to be member w.e.f. October 21, 2022*
** *Ceased to be a member w.e.f. September 10, 2022*

Performance evaluation of Board Members

In accordance with the provisions of Section 178 of the Act and Part D to Schedule II of SEBI Regulations, the Company has devised a process and criteria for performance evaluation, as recommended by the Nomination and Remuneration Committee (NRC) and approved by the Board.

The evaluation process is conducted by an external agency through a structured questionnaire, devised separately for each of the categories - Chairman, Independent Directors, Non-Executive Directors, Executive Directors, Board as a whole and Committees of the Board.

The performance evaluation of Independent Directors was carried out by the Board of Directors based on various criteria, as suggested by the NRC, like preparedness for meetings, generation of new ideas, monitoring of corporate governance practices, value addition including fresh perspectives and insights, decision making quality, conflict of interest, adherence to the code of conduct, etc., among others.

4. CORPORATE SOCIAL RESPONSIBILITY & ESG COMMITTEE

As on March 31, 2023, the Corporate Social Responsibility & Environment, Social & Governance Committee ("CSR & ESG Committee") comprised of four (4) Members including two (2) Independent Directors. Mr. Udaya Kumar is the Chairman of the Committee.

The functions of CSR&ESG Committee include formulation and monitoring of CSR&ESG Policies, recommending CSR Projects and budgets thereof, review of CSR initiatives undertaken/ to be undertaken by the Company, review of ESG targets & implementation of ESG projects and monitoring of the same and to do such other things as may be directed by the Board and in compliance with the applicable laws.

During the year under review, the CSR&ESG Committee met Four (4) times 11.05.2022, 28.07.2022, 20.10.2022, and 06.02.2023. The composition of CSR & ESG Committee along with the details of attendance of the Members at the said meetings are given below:

Date of Meeting	Udaya Kumar[1]	Massimo Vita[2]	Manoj Kumar[3]	Jessie Paul[4]
11.05.2022	✓	✓	✓	✓
28.07.2022	✓	✓	✓	LOA
20.10.2022	✓	✓	✓	✓
06.02.2023	✓	✓	✓	LOA

[1] *Member of the Committee since July, 2017*
[2] *Member of the Committee since July, 2017*
[3] *Member of the Committee since January, 2020*
[4] *Member of the Committee since September, 2020*

5. RISK MANAGEMENT COMMITTEE

The Company follows well-established and detailed risk assessment and minimization procedures as prescribed under applicable laws. The functions of the Risk Management Committee include monitoring and reviewing risk management plan, risk management policy, operational risk, Credit risk, integrity risk, cyber security risk etc., and initiating strategic actions in mitigating risk associated with the business. The risk assessment and mitigation measures are reviewed by the Board periodically. The Company's risk management framework is also discussed in detail under Management Discussion and Analysis which forms part of this Annual Report.

As on March 31, 2023, the Risk Management Committee ("RMC") comprised of five (5) members. Mr. Massimo Vita is the Chairman, along with Mr. George Joseph, Chairman of Board & Lead Independent Director, Mr. Sumit Kumar, Non-Executive Director, Ms. Rekha Warriar, Independent director and Mr. Udaya Kumar Hebbar, Managing Director & CEO as the members of the committee. Mr. Firoz Anam, Chief Risk Officer, is an invitee to the committee meetings.

During the year under review, RMC met 4 (four) times on 11.05.2022, 28.07.2022, 20.10.2022, and 06.02.2023. The composition of RMC and the details of attendance of members at the said meetings are:

Date of Meeting	Massimo Vita[1]	Sumit Kumar[2]	Udaya Kumar[3]	George Joseph[4]	Rekha Warriar[5]
11.05.2022	✓	✓	✓	✓	NA
28.07.2022	✓	✓	✓	✓	NA
20.10.2022	✓	✓	✓	✓	NA
06.02.2023	✓	✓	✓	✓	✓

[1] *Member of the Committee since July, 2017*
[2] *Member of the Committee since July, 2017*
[3] *Member of the Committee since July, 2017*
[4] *Member of the Committee since January, 2018*
[5] *Member of the Committee since October, 2022*

6. ASSET - LIABILITY MANAGEMENT COMMITTEE

The functions of the Assets-Liability Management Committee ("ALM") Committee include addressing concerns regarding asset liability mismatches, interest rate risk exposure, and achieving optimal return on capital employed while maintaining acceptable levels of risk including and relating to liquidity, market and operational aspects and adhering to the relevant policies and regulations.

As on March 31, 2023, the ALM Committee is comprised of five (5) Members including one (1) Independent Director. Mr. Udaya Kumar Hebbar is the Chairman of the Committee. The CFO , also being the Head of Treasury functions, is a Member of the Committee as per the applicable RBI Guidelines / Circular.

During the year under review, the ALM Committee met 4 (Four) times, 11.05.2022, 28.07.2022, 20.10.2022 and 06.02.2023. The composition of ALM Committee and the details of attendance of members at the said Meetings are given below:

Date of Meeting	Mr. George Joseph[1]	Mr. Udaya Kumar[2]	Mr. Sumit Kumar[3]	Massimo Vita[4]	Balakrishna Kamath[5]
11.05.2022	✓	✓	✓	✓	✓
28.07.2022	✓	✓	✓	✓	✓
20.10.2022	✓	✓	✓	✓	✓
06.02.2023	✓	✓	✓	✓	✓

[1] *Member of the Committee since November, 2015*
[2] *Member of the Committee since November, 2015*
[3] *Member of the Committee since November, 2016*
[4] *Member of the Committee since November, 2020*
[5] *Member of the Committee since January, 2021*

7. IT STRATEGY COMMITTEE

The functions of IT Strategy Committee ("ITSC") include approval of IT strategies and policy documents, ascertaining whether the Company's Management has implemented processes / practices which ensure that IT delivers value to business, that the budgets allocated vis-à-vis IT investments are commensurate, monitoring the method adopted to ascertain the IT resources needed to achieve strategic goals of the Company, to provide high-level directions for sourcing and use of IT resources and to analyse major IT projects and to institute appropriate governance mechanism for outsourced processes and periodically reviewing the outsourced strategies.

As on March 31, 2023, ITSC comprised of Six (6) members including Mr Sudesh Puthran, Chief Technology Officer and Mr Ravi Rathnam, Chief Information & Security Officer. Mr. Manoj Kumar is the Chairman of the committee.

During the year under review, ITSC met Two (2) times viz., 11.05.2022, and 20.10.2022. The composition of ITSC and the details of attendance of members at the said Meetings are given below:

Date of Meeting	Manoj Kumar[1]	Sumit Kumar[2]	Udaya Kumar[3]	Paolo Brichetti[4]	Sudesh Puthran[5]	Ravi Rathinam[6]	Jessie Paul*
11.05.2022	✓	✓	✓	NA	✓	NA	✓
20.10.2022	✓	✓	✓	NA	✓	✓	✓

1 Member of the Committee since January, 2020
2 Member of the Committee since July, 2017
3 Member of the Committee since July, 2017
4 Member of the Committee since October, 2022
5 Member of the Committee since October, 2023
6 Member of the Committee since June, 2022
* Ceased to be a Member w.e.f. October 21, 2022

8. EXECUTIVE, BORROWINGS AND INVESTMENT (EBI) COMMITTEE

The EBI Committee is authorized by the Board of Directors to borrow money or avail credit facilities in any form whatsoever, up to the amount as approved by the Shareholders, to issue and allot debt securities for raising debt, to allot equity shares to the employees under ESOP plan of the Company, to invest funds of the company, to lend money, and to open/operating/closing of the bank accounts of the company.

As on March 31, 2023, EBI Committee comprised of three (3) members viz., Mr Manoj Kumar, Independent Director, Mr Udaya Kumar Hebbar, MD & CEO and Mr Balakrishna Kamath, CFO. Mr. Udaya Kumar Hebbar is the Chairman of the Committee.

During the year under review, the EBI committee met 47 times on 08.04.2022, 28.04.2022, 10.05.2022, 16.05.2022, 25.05 2022, 06.06.2022, 14.06.2022, 20.06.2022, 25.06.2022, 09.07.2022, 16.07.2022, 25.07.2022, 06.08.2022, 10.08.2022, 10.09.2022, 16.09.2022, 22.09.2022, 23.09.2022, 27.09.2022, 07.10.2022, 13.10.2022, 25.10.2022, 31.10.2022, 04.11.2022, 09.11.2022, 14.11.2022, 18.11.2022, 23.11.2022, 02.12.2022, 05.12.2022, 15.12.2022, 19.12.2022, 22.12.2022, 26.12.2022, 10.01.2023, 17.01.2023, 20.01.2023, 27.01.2023, 09.02.2023, 21.02.2023, 01.03.2023, 06.03.2023, 17.03.2023, 23.03.2023, 24.03.2023, 27.03.2023, 28.03.2023.

All the Members attended all the Meetings except Mr Manoj Kumar who couldn't attend the last two Meetings i.e. 27.03.2023 & 28.03.2023 and Mr Udaya Kumar for the Meetings held during September 2023.

IV. GENERAL MEETINGS

Details of last three Annual General Meetings held are given below:

Financial Year	Category	Location of the Meeting	Date	Time	Number of Special Resolutions passed
2021-2022	AGM	Registered Office (Video Conferencing)	July 25, 2022	03:00 PM	1
2020-2021	AGM	Registered Office (Video Conferencing)	July 30, 2021	03:00 PM	2
2019-2020	AGM	Registered Office (Video Conferencing)	August 11, 2020	03:00 PM	7

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Details of resolutions passed through Postal Ballot:

During the year under review, the following Resolutions were placed for approval of the shareholders by Postal Ballot and approved with requisite majority:

Date of Notice: December 02, 2022
Voting period: December 05, 2022 to January 03, 2023
Date of declaration of Results: January 04, 2023
Name of Scrutinizer: Mr. C. Dwarakanath, Company Secretary in Practice

Particulars of the Resolution	Type of Resolution	Total Votes	Votes in Favor		Votes Against	
			No. of votes	%	No. of votes	%
Approval for Appointment of Ms. Rekha Warriar, (DIN: 08152356), as Independent Director of the Company	Special	144133460	144132935	99.99	525	0.001
Approval for appointment of Mr. Paolo Brichetti (DIN: 01908040) as Vice-Chairman & Non-Executive Director of the Company	Ordinary	144133460	142137838	98.62	1995622	1.390

Procedure adopted for Postal Ballot:

The Postal Ballot has been carried out as per the procedure stipulated under the Companies (Management and Administration) Rules, 2014 and other applicable laws and regulations. Notice of the Postal Ballot ("Notice") dated December 02, 2022, was sent to the Members who had registered their email addresses with the Company / depository / depository participants and shareholders were provided with remote e-voting facility pursuant to Regulation 44 SEBI Regulations & the Act, as amended from time to time and the said rules. For this purpose, the Company had engaged the services of KFin Technologies Limited ("KFintech"), Registrar and Share Transfer Agent ("RTA"). The Company also published Notice in the newspapers for the information of the members.

The results of E-voting along with the Scrutinizer's Report were declared on January 04, 203 and displayed on the website of the Company: https://www.creditaccessgrameen.in/investors/shareholder-services/postal-ballot/ and the website of KFintech at https://evoting.kfintech.com. The same was also communicated to both the exchanges.

V. MEANS OF COMMUNICATION

Financial Results, Notices and other shareholders' information:

The quarterly, half-yearly and the annual (unaudited / audited as applicable) financial results of the Company are published in one English and Regional language (Kannada) newspaper (viz., Financial Express and Vishwavani) respectively and are displayed on the Company's website.

The financial results, Annual Reports, press releases and presentations made to institutional investors / analysts are also hosted on the Company's website https://www.creditaccessgrameen.in under Investors Section. The reports / information as mentioned above and filed by the Company from time to time are also available on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.

The Annual Reports containing audited standalone and consolidated financial statements together with Board's Report, Report on Corporate Governance, Management Discussion and Analysis Report, Auditors' Report and other important information are being circulated to all the Members entitled to receive the same through permitted mode(s).

Corporate Filings with Stock Exchanges:

The Company is regular in filing various reports, certificates, intimations, etc. to the BSE Limited and National Stock Exchange of India Limited. This includes filing of audited and unaudited financial results, shareholding pattern, Report on Corporate Governance, intimation of Board Meeting/general meeting and its proceedings.

Investor Service:

The Company has authorised KFintech to attend to investors' grievances. However, the Company also assists in resolving various investor grievances. The Company has created a separate e-mail id csinvestors@cagrameen.in exclusively for the investors to communicate their grievances to the Company.

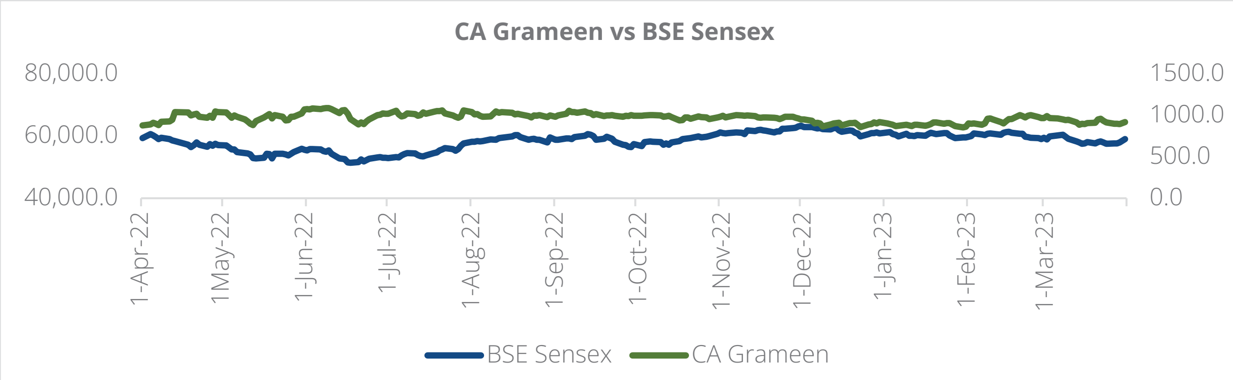
VI. GENERAL SHAREHOLDER INFORMATION:

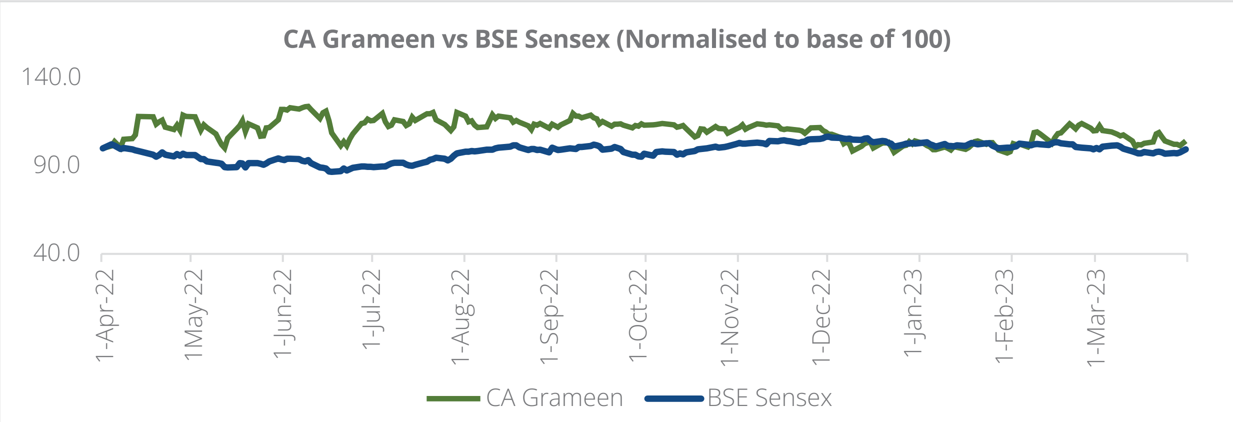
Day, Date and Mode of AGM	Friday, August 25, 2023 (Through Video-Conferencing)
Financial Year	April 1, 2023 to March 31, 2024
Dividend	Nil
Name and address of the stock exchanges at which the listed entity's securities are listed:	BSE Limited Floor 25, P J Towers, Dalal Street, Mumbai -400001 National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E) , Mumbai-400 051
Listing Fees	Listing fees for the financial year 2023-24 has been paid to the Stock Exchanges.
Stock Code	BSE – 541770 NSE – CREDITACC
ISIN	INE741K01010
Registration details	The Company is registered in the State of Karnataka. CIN of the Company is L51216KA1991PLC053425. The Company being a Non-banking financial Company as a Micro Finance Company (NBFC – MFI), is registered with the Reserve Bank of India (Certificate of Registration Number: B- 02.00252).
Market price data- high, low during each month in last financial Year	Details are provided in the table below
Registrar and Share Transfer Agent	KFIN Technologies Limited (Unit: CreditAccess Grameen Limited) Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032 Email: einward.ris@kfintech.com Phone No: 040-67162222 Fax No: 040-2300115
Share Transfer System	SEBI vide Notification dated June 8, 2018 had restricted effecting transfer of shares in physical form with effect from April 01, 2019. As on March 31, 2023, 100% shareholding was in Dematerialised mode.
Distribution of shareholding (as on 31.03.2023)	Details are provided in the table below
Dematerialization of shares and liquidity (as on 31.03.2023)	100% of the shareholding is in Dematerialised mode.
Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity date and likely impact on equity	Nil
Commodity price risk or foreign exchange risk and hedging activities	Nil
Plant locations	Being a financial services company, the Company has no plant locations.
Address for correspondence	Mr. M.J. Mahadev Prakash Company Secretary & Chief Compliance Officer CreditAccess Grameen Limited New No. 49, 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalayana Mantap) Bengaluru – 560070 Email: csinvestors@cagrameen.in Phone no: +91.80.22637300 Fax: +91.80.26643433

Stock Market Data from April 1, 2022 to March 31, 2023

Month	National Stock Exchange		BSE Limited	
	High Price	Low Price	High Price	Low Price
April, 2022	1,091.1	845.9	1,090.0	847.0
May, 2022	1,129.3	847.0	1,128.3	850.5
June, 2022	1,154.0	875.0	1,154.3	877.4
July, 2022	1,094.7	946.4	1,094.4	947.0
August, 2022	1,076.0	960.5	1,075.0	960.3
September, 2022	1,094.9	969.4	1,094.0	968.1
October, 2022	1,035.0	905.2	1,026.9	905.5
November, 2022	1,009.0	926.0	1,008.6	925.0
December, 2022	964.0	845.2	963.3	845.0
January, 2023	935.6	834.1	935.8	834.1
February, 2023	1,022.0	862.7	1,020.2	865.1
March, 2023	999.0	875.5	1,010.0	876.1

Movement of Company's shares in comparison with BSE Sensex





Distribution of shareholding as on March 31, 2023

Category	No. of Shares	% of holding
Foreign Promoter Bodies Corporates	11,51,09,028	73.68
Mutual Funds	1,59,38,180	10.20
Alternative Investment Fund	1,91,866	0.12
Qualified Institutional Buyer	30,51,168	1.95
Foreign Portfolio – Corp (Category I)	133,88,939	8.57
Foreign Portfolio – Corp (Category II)	17,24,345	1.10
Directors	2,91,280	0.19
Key Management Personel	9,475	0.01
Resident Individuals	49,11,999	3.14
Employees	8,97,687	0.57
Non-Resident Indian Non Repatriable	1,07,342	0.07
Non-Resident Indians	1,48,625	0.10
Foreign Nationals	13	0.00
Bodies Corporates	3,24,127	0.21
HUF	1,28,891	0.08
Clearing Members	5,732	0.00
Trusts	2,395	0.00
TOTAL	**15,62,31,092***	**100.00**

*Excluding 26,75,351 equity shares (1.72%) allotted to the shareholders of Madura Micro Finance Limited, pursuant to the Scheme of Amalgamation, which were pending for listing as on March 31, 2023.

VII. OTHER DISCLOSURES

a. Related Party Transactions

During the year, the Company had entered into related party transactions with its Subsidiary Company on arms' length basis & in the ordinary course of business, which has been approved by the Audit Committee, Board of Directors as well as the Shareholders. However, there has been no materially significant related party transactions that may have potential conflict with the interests of the Company at large during FY23. Further, the Company has a policy on materiality as well as on related party transactions which is hosted on our website at https://www.creditaccessgrameen.in/wp-content/uploads/2022/07/CreditAccess-Grameen_Related-Party-Transaction-Policy_v4.pdf

b. Whistle-blower mechanism

The Company has established a whistle blower policy for the Directors and employees to report genuine concerns such as malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company. Further, the mechanism adopted by the Company provides for adequate safeguards against victimization of employees who avail such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. None of the personnel has been denied access to the Chairman of the Audit Committee. The details of the said policy are available on the website of the Company https://www.creditaccessgrameen.in/wp-content/uploads/2022/06/CreditAccess-Grameen_Vigil_Mechanism_Whistle_Blower-Policy..pdf

c. Policy for determining material subsidiaries

A Policy for determining material subsidiaries has been formulated and made available on our website at https://www.creditaccessgrameen.in/wp-content/uploads/2022/05/CreditAccess-Grameen_Policy-for-determining-Material-Subsidiary-v.1.pdf Further, Corporate governance requirements with respect to subsidiary company are compiled with by the Company.

d. Details of non-compliances by the company, penalties, strictures imposed on the company by the stock exchanges or SEBI or any statutory authorities on any matter related to capital markets during the last three years:

During the year under review, there have been no instances of non-compliance by the Company on any matters related to Labour Law, RBI, MCA, Income Tax and GST and other applicable Acts except for the details mentioned below:

i. *As per Regulation 57(4) of the SEBI Regulations, the Company was required to provide advance intimation to the Stock Exchanges regarding all the repayment obligation of principal and interest which are due during the subsequent quarter, for the listed NCDs. However, for the period July to September, 2022 and January to March , 2023, the Company had omitted to disclose on of the listed ISINs of its listed NCDs, although the repayment obligation with respect to said NCDs was duly met. Accordingly, a penalty of ₹1000/- imposed by BSE Limited was paid by the Company.*

ii. *Pursuant to Regulation 18 of the SEBI Regulations, the Company was required to constitute the Audit Committee with requisite majority of Independent Directors. However, due to interpretation issues, there was a delay in reconstituting the Audit Committee, for which the Company had paid a penalty of ₹2.00 Lakh each to the Stock Exchanges.*

Further, during FY22, the Company had paid a penalty of ₹24,780/- to BSE Limited for delay in furnishing required information under Regulation 54(2) of SEBI Regulations with respect to extent & nature of security created and maintained with respect of secured listed NCDs.

e. Breach of Covenants

There was no breach of covenants of loans availed or debt securities issued by the Company as on March 31, 2023.

f. Mandatory Requirements

All mandatory requirements of the SEBI Regulations have been complied with.

f. Non-Mandatory Requirements

The Company has adopted the following discretionary requirements as specified in Part E of Schedule II:

i. Unmodified opinion in Audit Report:
The Company has a record of unqualified financial statements since inception.

ii. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:
The Company has complied with the requirement of having separate persons for the position of Chairman and Managing Director/Chief Executive Officer, Mr. George Joseph is the Chairman of the Company and Mr. Udaya Kumar Hebbar is the Managing Director & Chief Executive Officer of the Company.

iii. Reporting of Internal Auditor:
The Internal Auditor reports directly to the Audit Committee.

g. Certification on non-incurrence of disqualification

M/s. Damodaran & Associates LLP, the Secretarial Auditors of the Company have issued a certificate to the Board confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed as **Annexure III** to this Report.

h. Credit Rating

The details with respect to Credit Ratings obtained by the Company are given in the Board's Report.

i. Disclosures relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There have been no instances of sexual harassment of women which were reported during the year under review.

j. Fees paid to Statutory Auditors

A consolidated fee of ₹27.3 Million was paid to the Statutory Auditors by the Company and its erstwhile subsidiary, Madura Micro Finance Limited for FY23.

k. Amount of funds raised through Perpetual Debt Instruments (PDIs) during the year and outstanding at the close of FY: **Nil**

l. Percentage of amount of PDIs of the amount of its Tier-1 Capital: **Not Applicable**

m. Financial Year in which interest on PDI has not been paid in accordance with Lock-in-clause of applicable regulations: **Not Applicable**

n. Details of auctions conducted during the year including number of loan accounts, outstanding amounts, value fetched and whether any of the sister concerns participated in the auctions – **Nil**

o. In case the securities are suspended from trading, the directors report shall explain the reason thereof: **Not Applicable**

p. No loans / advances have been granted to Subsidiaries during the year under review.

q. Details of utilization of funds raised through Qualified Institutions Placement as specified under Regulation 32 (7A) of the SEBI Regulations – **Not Applicable**

r. COMPLIANCE

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Regulations and amendments thereto, as applicable, with regard to Corporate Governance.

M/s. Damodaran & Associates LLP have certified that the Company has complied with the mandatory requirements as stipulated under SEBI Regulations. The said Certificate is enclosed as **Annexure II** to this Report.

s. CEO and CFO CERTIFICATION

CEO and CFO have given a certificate to the Board as per Regulation 17 of SEBI Regulations. The said certificate is enclosed as **Annexure IV** to this Report.

t. CODE OF CONDUCT

The Company has laid down a Code of Conduct for the Members of Board of Directors and Senior Management Personnel. The Code of Conduct is available on the website of the company at https://www.creditaccessgrameen.in/wp-content/uploads/2023/06/CreditAccess-Grameen_Code-of-Conduct-for-Directors-and-SM_Policy_Latest_Version.pdf

u. CODE OF CONDUCT AND FAIR DISCLOSURE FOR PROHIBITION OF INSIDER TRADING

The Company has put in place a Code of Conduct and Fair Disclosure for Prohibition of Insider Trading for its designated persons in compliance with SEBI (Prohibition of Insider Trading) Regulations 2015. This Code is to regulate monitor and report the trading in the Company's shares by the designated persons of the Company.

The Code of Conduct and Fair Disclosure for Prohibition of Insider Trading is available on the website of the Company at https://www.creditaccessgrameen.in/wp-content/uploads/2022/11/CreditAccess-Grameen_Policy-on-Code-of-Conduct-Fair-Disclosures-Prohibition-of-Insider-Trading.pdf

v. EQUITY SHARES IN THE DEMAT SUSPENSE ACCOUNT

In accordance with the requirement of Regulation 34(3) and Schedule V Part F of SEBI Regulations, the Company reports that there are no equity shares lying in the demat suspense account which were issued in dematerialized form pursuant to the public issue of the Company.

w. Senior Management Personnel

As on the date of this report, the following officials constituted the Senior Management:

Sl.No	Name	Designation
1	Arun Kumar B	Head - Strategy, Innovations & Analytics
2	Firoz Anam	Chief Risk Officer
3	Ganesh Narayanan	Dy. CEO & Chief Business Officer
4	Gururaj Rao	Chief Audit Officer
5	M J Mahadev Prakash	Company Secretary & Chief Compliance Officer
6	Narayanan M	Chief Integration Officer
7	Nilesh Shrikrishna Dalvi	Head - Investor Relations
8	Sadananda Balakrishna Kamath	Chief Financial Officer
9	Sudesh Dinesh Puthran	Chief Technology Officer
10	Udaya Kumar Hebbar	MD & CEO

Annexure I to Report on Corporate Governance:

CEO Certification on Code of Conduct

I, Udaya Kumar Hebbar, Managing Director and CEO of CreditAccess Grameen Limited, do hereby certify that the Board of Directors and Senior Management personnel (Core Management Team) have affirmed compliance with the Code of Conduct of the Company as applicable to them, for the year ended March 31, 2023.

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

CREDITACCESS GRAMEEN LIMITED
REPORT ON CORPORATE GOVERNANCE | FY 2023

Annexure II to Report on Corporate Governance

Certificate on Compliance

To
The Members of
CreditAccess Grameen Limited
Bangalore

We, M. Damodaran & Associates LLP, Practicing Company Secretaries, have examined the compliance of the conditions of Corporate Governance by CreditAccess Grameen Limited ('the Company') (CIN: L51216KA1991PLC053425), Bangalore for the financial year ended on 31st March, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2), and paragraphs C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance stipulated in the above-mentioned SEBI Regulations except as disclosed under 'Other Disclosure' section of the Corporate Governance report.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M. DAMODARAN & ASSOCIATES LLP

Place: Chennai
Date: 29.05.2023

M. Damodaran
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000413057

Annexure III to Report on Corporate Governance

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
CreditAccess Grameen Limited
Bangalore

We, M. Damodaran & Associates LLP, Practicing Company Secretaries, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CREDITACCESS GRAMEEN LIMITED having CIN - L51216KA1991PLC053425 and having registered office at New No. 49 (Old No. 725), 46th Cross, 8th Block, Jayanagar (Next to Rajalakshmi Kalyana Mantap), Bangalore – 560 071 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1.	Mr. George Joseph	00253754	09/09/2015
2.	Mr. Paolo Brichetti	01908040	21/10/2022
3.	Ms. Lilian Jessie Paul	02864506	16/09/2020
4.	Mr. Manoj Kumar	02924675	30/10/2019
5.	Mr. Udaya Kumar Hebbar	07235226	15/07/2015
6.	Mr. Sumit Kumar	07415525	16/08/2016
7.	Mr. Massimo Vita	07863194	25/07/2017
8.	Ms. Rekha Gopal Warriar	08152356	21/10/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M. DAMODARAN & ASSOCIATES LLP

Place: Chennai
Date: 29.05.2023

M. Damodaran
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000413057

Annexure IV to Report on Corporate Governance

CEO / CFO CERTIFICATION

To
The Board of Directors
CreditAccess Grameen Limited
Bangalore

We hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the FY 2022-23 and that to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee

   1) significant changes in internal control over financial reporting during the year;

   2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 16, 2023
Place: Bengaluru

Sd/-
Udaya Kumar Hebbar
Managing Director & CEO

Sd/-
Balakrishna Kamath
Chief Financial Officer

STANDALONE AUDITOR'S REPORT

Deloitte Haskins & Sells
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar, Chennai-600 017
Tamil Nadu, India
Tel: 044 6688 5000
Fax: 044 6688 5050

PKF Sridhar & Santhanam LLP
T8 & T9, Third Floor
Gem Plaza,
66, Infantry Road
Bangalore 560 001, India
Phone: 91-80-41307244
Phone: 91-80-41317244

INDEPENDENT AUDITORS' REPORT

To The Members of CREDITACCESS GRAMEEN LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **CREDITACCESS GRAMEEN LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to note 45 of the standalone financial statements regarding the approved Scheme of Amalgamation (the "Scheme") between Madura Micro Finance Limited (erstwhile subsidiary of the Company) and the Company.

- The Company has given effect to the Scheme from the appointed date specified in the Scheme i.e. April 01, 2020. Pursuant to giving effect of the Scheme the Company has recorded additional Goodwill of ₹58.10 crore, as required by the Scheme. The additional goodwill has been accounted as mandated by para 14(vi) of the Scheme.

- Further, due to the aforesaid merger being effective from the Appointed Date, i.e., April 1, 2020, the standalone financial statements of the Company for the previous years have been recast/restated.

Our report is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How the key audit matter was addressed in our Audit
(a) Impairment of Loans (Expected Credit Losses) (as described in note 6 of the standalone Ind AS financial statements)	
The Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS requirement and the relevant Reserve Bank of India's (RBI) regulations/ circulars. The recognition and measurement of impairment of loans involve significant management judgement. The Company's impairment allowance is derived from estimates including the historical default and loss ratios using criteria in accordance with Ind AS 109 and considering applicable RBI's regulations/ circulars. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans. Since the recognition and measurement of impairment of loans is significant to the overall audit due to stakeholder and regulatory focus, we have ascertained this as a key audit matter. The relevant disclosures are made in financial statements for ECL including those relating to judgements and estimates by the Management in determination of the ECL. Refer note 6(A), note 6(B) and note 41.2 to the standalone Ind AS financial statements.	Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. In particular: • We examined Board Policy approving the methodology for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Company; • We have performed the walkthrough and evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the allocation of assets into stages; • We tested, on samples basis, the input and historical data used for determining the PD and LGD rates and agreed the data with the underlying books of accounts and records; • We tested the arithmetical calculation of the workings of the ECL; • We evaluated that the Company's impairment allowance is derived in accordance with Ind AS 109 which also include considering the impact of RBI's regulations/circulars; • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 on ECL especially in relation to judgements used in estimation of ECL provision.

CREDITACCESS GRAMEEN LIMITED
STANDALONE AUDITORS' REPORT | FY 2023

Information Other than the Financial Statements and Auditors' Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analysis (the "Reports"), but does not include the standalone financial statements and our auditors' report thereon. The Reports are expected to be made available to us after the date of this auditors' report.

- Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the management report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

CREDITACCESS GRAMEEN LIMITED
STANDALONE AUDITORS' REPORT | FY 2023

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position as at the year end in its standalone financial statements - Refer Note 34 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts as at the year end for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to accounts to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the standalone notes to accounts to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

2. As required by the Companies (Auditors' Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 23109839BGXPYG8187
Place: Bengaluru
Date: May 16, 2023

PKF Sridhar & Santhanam LLP
Chartered Accountants
(Firm's Registration No. 003990S/ S200018)

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 23208545BGVAJB4311
Place: Bengaluru
Date: May 16, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **CREDITACCESS GRAMEEN LIMITED** (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on "the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on "the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 23109839BGXPYG8187
Place: Bengaluru
Date: May 16, 2023

PKF Sridhar & Santhanam LLP
Chartered Accountants
(Firm's Registration No. 003990S/ S200018)

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 23208545BGVAJB4311
Place: Bengaluru
Date: May 16, 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **CREDITACCESS GRAMEEN LIMITED** (the "Company") for the year ended March 31, 2023)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment were physically verified during the year by the management in accordance with a regular program of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered Sale Deed provided to us, we report that the title deeds of all the immovable properties, (other than immovable properties where the company is a lessee and the lease agreements are duly executed in favour of the Company) disclosed in financial statements included in Property, Plant and Equipment are held in the name of the Company as at the Balance Sheet Date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use Assets) and intangible assets during the year.

(e) No Proceedings have been initiated during the year or are pending against the Company as at 31 March, 2023 for holding Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company has granted loans or advances in the nature of Loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties in respect of which:

a) The Company's principal business is to give loans, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

b) The investments made and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Note 3.15 to the Standalone Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2023, aggregating ₹236.39 crore were categorised as credit impaired ("Stage 3") and ₹43.52 crore were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 6A and Note 6B to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹19,111.28 crore, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), delay in the repayment of interest and/or principal in respect of loans aggregating to ₹44.50 crore were also identified. In all other cases, the repayment of principal and interest is regular as at March 31, 2023. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

d) The total amount in respect of loans and advances overdue from Non Performing Assets (NPA), as at the year-end is ₹153.76 crore. Reasonable steps are being taken by the Company for recovery of the principal and interest as stated in the applicable Regulations and Loan agreements.

e) The Company's principal business is to give loans, and hence reporting under clause 3(iii) (e) of the Order is not applicable.

f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances during the year in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security to any director of the Company and hence the provisions of Section 185 of the Act is not applicable to the Company. The Company has complied with the provisions of Section 186 as applicable.

(v) According to the information and explanations given to us, the Company being Non-Banking Finance Company registered with the Reserve Bank of India (the "RBI"), provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company and no order has been passed by the RBI or any Court or any other Tribunal against the Company in this regard.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service Tax (GST), Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

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Undisputed amounts payable in respect of Provident Fund in arrears as at March 31, 2023 for a period of more than six months from the date they became payable are as given below:

Name of Statute	Nature of the Dues	Amount (₹)	Period to which the Amount Relates	Due Date	Date of payment
Provident Fund Act, 1952	Provident Fund	23,155	Apr'22	15th May, 2022	Not paid till 31 March 23
Provident Fund Act, 1952	Provident Fund	9,521	May'22	15th June, 2022	Not paid till 31 March 23
Provident Fund Act, 1952	Provident Fund	107	June'22	15th July, 2022	Not paid till 31 March 23
Provident Fund Act, 1952	Provident Fund	6,011	July'22	15th August, 2022	Not paid till 31 March 23
Provident Fund Act, 1952	Provident Fund	15,517	August'22	15th September, 2022	Not paid till 31 March 23
Provident Fund Act, 1952	Provident Fund	11,041	September'22	15th October, 2022	Not paid till 31 March 23

(b) There are no statutory dues of GST, Employees' State Insurance, cess, as on March 31, 2023 which have not been deposited on account of disputes. The details of dues of Income tax and Provident Fund which have not been deposited as at March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (₹ Crore)	Period to which the Amount Relates	Forum where Dispute is Pending
Income Tax Act, 1961	Income Tax	1.16^	FY 2016-17	Commission of Income Tax
Income Tax Act, 1961	Income Tax	122.63	FY 2017-18	Commission of Income Tax
Employee Provident Fund Act, 1952	Provident Fund	0.25*	FY 2010-11 and FY 2011-12	High Court of Madras

^ Net of ₹0.29 crore paid under protest
*Out of which ₹0.06 is already paid

(viii) There were no transactions relating to previously unrecorded income which were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) According to the information and explanations given to us, in respect of borrowings:

a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

d) On an overall examination of the financial statements of the Company, fund raised on short-term basis have, *prima facie*, not been used during the year for long term purposes by the company.

e) On an overall examination of the financial statements of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) a) In our opinion, and according to the information and explanations given to us, money raised by way of public offer of Debt instruments during the year, have been, prima facie, applied by the company for the purposes for which they were raised other than temporary deployment pending application of proceeds.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) a) According to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed in form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government, during the year and up to the date of this report.

c) We have taken into consideration, the whistle blower complaints received by the Company during the year and provided to us while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc. as required by the applicable accounting standards.

(xiv) a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to March 31, 2023.

(xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence, provisions of section 192 of the Act are not applicable.

(xvi) a) The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

b) During the year:

- The Company has not conducted any Non-Banking Financial activities without a valid certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934.
- The Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.

c) The Company is not a Core Investment Company (CIC) and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.

(xxi) According to the information and explanations given to us, and based on the CARO report issued by and the information provided by the auditor of the companies included in the consolidated financial statements of the Company we report that CARO is applicable only to the parent and not to Subsidiary included in the consolidated financial statements. We have not reported any qualifications or adverse remarks in the CARO report of the parent.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 23109839BGXPYG8187
Place: Bengaluru
Date: May 16, 2023

PKF Sridhar & Santhanam LLP
Chartered Accountants
(Firm's Registration No. 003990S/ S200018)

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 23208545BGVAJB4311
Place: Bengaluru
Date: May 16, 2023

CREDITACCESS GRAMEEN LIMITED
STANDALONE AUDITORS' REPORT | FY 2023

STANDALONE FINANCIALS

Standalone balance sheet as at March 31, 2023

₹ in crore

Sr. No.	Particulars	Notes	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	ASSETS				
(1)	**Financial assets**				
(a)	Cash and cash equivalents	4	1,341.40	1,580.51	2,360.04
(b)	Bank balance other than cash and cash equivalents	5	95.01	180.84	124.29
(c)	Loans	6	19,043.34	14,765.33	11,720.48
(d)	Investments	7	454.53	0.55	0.54
(e)	Derivative financial instruments	11	31.63	-	-
(f)	Other financial assets	8	149.59	118.48	132.31
(2)	**Non-financial assets**				
(a)	Current tax assets (net)	30	39.56	38.47	38.06
(b)	Deferred tax assets (net)	30	80.93	155.39	134.70
(c)	Property, plant and equipment	10 (A)	32.06	31.78	24.15
(d)	Right of use assets	10 (A)	64.75	74.76	67.50
(e)	Goodwill	45	375.68	375.68	375.68
(f)	Intangible assets	10 (A)	126.52	146.65	163.54
(g)	Intangible assets under development	10 (B)	3.94	3.07	0.62
(h)	Other non-financial assets	9	19.12	10.21	13.21
	Total assets		**21,858.06**	**17,481.72**	**15,155.12**
	LIABILITIES AND EQUITY				
(1)	**Financial liabilities**				
(a)	Derivative financial instrument	11	-	1.66	-
(b)	Payables				
	(I) Trade payables				
	(i) Total outstanding dues of micro enterprises and small enterprises	12	0.10	-	-
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	12	43.95	34.78	22.05
	(II) Other payables				
	(i) Total outstanding dues of micro enterprises and small enterprises	12	-	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12	259.65	224.03	179.65
(c)	Borrowings				
	- Debt securities	13	1,672.35	1,418.10	1,674.95
	- Borrowings (other than debt securities)	14	14,562.00	11,424.85	9,163.68
	- Subordinated liabilities	15	77.91	77.74	102.70
(d)	Other financial liabilities	16	78.90	87.44	82.94
(2)	**Non-financial liabilities**				
(a)	Current tax liabilities (Net)	30	0.56	1.46	0.99
(b)	Provisions	17	36.61	31.24	25.53
(c)	Other non-financial liabilities	18	19.09	13.51	11.37
(3)	**Equity**				
(a)	Equity share capital	19	158.91	155.87	155.58
(b)	Other equity	20	4,948.03	4,011.04	3,735.68
	Total liabilities and equity		**21,858.06**	**17,481.72**	**15,155.12**

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

For and on behalf of Board of Directors of CreditAccess Grameen Limited

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

Standalone statement of profit and loss for the year ended March 31, 2023

₹ in crore

Sr. No.	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I	**Revenue from operations**			
(a)	Interest income	21	3,327.13	2,567.26
(b)	Fees and commission income	22	19.51	13.22
(c)	Net gain on fair value changes	23	18.14	87.84
(d)	Bad debts recovery		58.09	74.15
(e)	Net gain on derecognition of financial instruments under amortised cost category		122.25	-
(f)	Others		-	0.28
	Total revenue from operations (I)		**3,545.12**	**2,742.75**
II	Other income	24	5.64	7.31
III	**Total income (I+II)**		**3,550.76**	**2,750.06**
IV	**Expenses**			
(a)	Finance costs	25	1,212.88	984.14
(b)	Fee and commission expense		1.80	2.96
(c)	Impairment on financial instruments	26	401.02	596.74
(d)	Employee benefit expenses	27	515.24	437.62
(e)	Depreciation and amortization expenses	28	49.84	47.23
(f)	Other expenses	29	264.59	200.57
	Total expenses (IV)		**2,445.37**	**2,269.26**
V	**Profit before tax (III-IV)**		**1,105.39**	**480.80**
VI	**Tax expense**	30		
	(1) Current tax		238.23	120.28
	(2) Deferred tax		41.13	7.44
	Total tax expense (VI)		**279.36**	**127.72**
VII	**Profit for the year (V-VI)**		**826.03**	**353.08**
VIII	**Other comprehensive income/ (loss)**			
(a)	(1) Items that will not be reclassified to profit or loss		(0.60)	0.71
	(2) Income tax relating to items that will not be reclassified to profit or loss		0.15	(0.18)
	Subtotal (a)		**(0.45)**	**0.53**
(b)	(1) Items that will be reclassified to profit or loss		11.84	(114.13)
	(2) Income tax relating to items that will be reclassified to profit or loss		(2.98)	28.24
	Subtotal (b)		**8.86**	**(85.89)**
	Other comprehensive income / (loss) (VIII = a+b)		**8.41**	**(85.36)**
IX	**Total comprehensive income (VII+VIII) (comprising profit and other comprehensive income/(loss) for the year)**		**834.44**	**267.72**
X	**Earnings per equity share (EPS) (face value of ₹10.00 each)**	46		
	Basic (in ₹)		52.04	22.29
	Diluted (in ₹)		51.81	22.20

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

For and on behalf of Board of Directors of CreditAccess Grameen Limited

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

Standalone statement of changes in equity for the year ended March 31, 2023

a) Equity share capital

As at March 31, 2023, March 31, 2022
Equity shares of ₹10 each issued, subscribed and fully paid.

Particulars	March 31, 2023 No of shares	March 31, 2023 ₹ in crores	March 31, 2022 No of shares	March 31, 2022 ₹ in crores
Balance at the beginning of the Previous reporting year	**15,58,66,346**	**155.87**	**15,55,82,040.00**	**155.58**
Changes in Equity Share Capital due to prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	**15,58,66,346**	**155.87**	**15,55,82,040.00**	**155.58**
Changes in equity share capital during the previous year	30,40,097	3.04	2,84,306	0.29
Balance at the end of the previous reporting year	**15,89,06,443**	**158.91**	**15,58,66,346**	**155.87**

b) Other equity

₹ in crore

Particulars	Reserve & Surplus: Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934) (Refer Note 20.3)	Reserve & Surplus: Capital reserve (Refer Note 20.2)	Reserve & Surplus: Securities premium	Reserve & Surplus: Share options outstanding account	Reserve & Surplus: Retained earnings	Shares to be issued (refer note 45)	Debt instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedge	Total Other Equity (A)
As at March 31, 2021	**294.09**	**49.95**	**2,263.13**	**8.52**	**917.55**	**206.38**	**(3.94)**	**-**	**3,735.68**
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-
Restated balance As at April 1, 2021	**294.09**	**49.95**	**2,263.13**	**8.52**	**917.55**	**206.38**	**(3.94)**	**-**	**3,735.68**
Profit for the year	-	-	-	-	353.08	-	-	-	353.08
Other comprehensive income/(loss) (net of tax)	-	-	-	-	0.53	-	(86.28)	0.39	(85.36)
Transferred From Share Option Outstanding on ESOPs Exercised	-	-	2.25	(2.25)	-	-	-	-	-
Securities Premium on ESOPs Exercised	-	-	2.74	-	-	-	-	-	2.74
Transferred to statutory reserves	76.43	-	-	-	(76.43)	-	-	-	-
Employee stock option compensation for the year	-	-	-	5.45	-	-	-	-	5.45
Equity adjustment on account of subsequent acquisition of shares	-	-	-	-	-	(0.55)	-	-	(0.55)
As at March 31, 2022	**370.52**	**49.95**	**2,268.12**	**11.72**	**1,194.73**	**205.83**	**(90.22)**	**0.39**	**4,011.04**
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-
Restated balance As at April 1, 2022	**370.52**	**49.95**	**2,268.12**	**11.72**	**1,194.73**	**205.83**	**(90.22)**	**0.39**	**4,011.04**
Profit for the year	-	-	-	-	826.03	-	-	-	826.03
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(0.45)	-	90.22	8.86	98.63
Transferred From Share Option Outstanding on ESOPs Exercised	-	-	2.96	(2.96)	-	-	-	-	-
Securities Premium on ESOPs Exercised	-	-	4.36	-	-	-	-	-	4.36
Transferred to statutory reserves	165.21	-	-	-	(165.21)	-	-	-	-
Allotment of share as per the scheme of merger	-	-	203.15	-	-	(205.83)	-	-	(2.68)
Employee stock option compensation for the year	-	-	-	10.65	-	-	-	-	10.65
As at March 31, 2023	**535.73**	**49.95**	**2,478.59**	**19.41**	**1,855.10**	**-**	**-**	**9.25**	**4,948.03**

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

For and on behalf of Board of Directors of CreditAccess Grameen Limited

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

Standalone statement of cash flows for the year ended March 31, 2023

₹ in crore

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities:		
Profit before tax	1,105.39	480.80
Adjustments for:		
Interest income on loans	(3,277.46)	(2,533.54)
Interest on deposits with banks and financial institutions	(31.04)	(33.73)
Income from government securities	(18.62)	-
Depreciation and amortisation expenses	49.84	47.23
Finance costs	1,212.88	984.14
Impairment on financial instruments	401.02	596.74
Net gain on financial instruments at fair value through profit and loss	(21.32)	(17.86)
Gain on derecognition of loans designated at FVTOCI	3.18	(69.98)
Gain on derecognition of loans designated at amortised cost	(122.25)	-
Dividend Income	-	(0.28)
Share based payments to employees	10.65	5.45
Provision for other assets	0.31	1.66
	(1,792.81)	**(1,020.17)**
Operational cash flows from interest:		
Interest received on loans	3,392.64	2,551.96
Finance costs paid	(1,213.20)	(976.02)
Working capital changes:		
(Increase) in loans	(4,673.63)	(3,775.40)
Decrease in other financial assets	87.65	81.98
(Increase)/ Decrease in other non-financial assets	(8.92)	3.00
Increase in trade and other payables	44.90	57.30
(Decrease) in other financial liabilities	(2.05)	(5.16)
Increase in provisions	4.77	6.42
Increase in other non-financial liabilities	5.57	2.14
	(4,541.71)	**(3,629.72)**
Income tax paid (net of refunds)	(240.07)	(120.32)
Net cash flows (used in) operating activities (A)	**(3,289.76)**	**(2,713.47)**
Cash flow from investing activities:		
Purchase of property, plant and equipment	(13.72)	(20.14)
Proceeds from sale of property, plant and equipment	0.05	0.13
Purchase of Intangible assets and expenditure on Intangible assets under development	(3.60)	(7.70)
Interest on deposits with banks and financial institutions	36.28	33.73
Decrease / (increase) in bank balance other than cash and cash equivalents	80.60	(56.55)
Purchase of investments	(7,154.34)	(7,348.70)
Sale of investments	7,175.66	7,366.56
Investment in government securities (net)	(447.34)	-
Income from government securities	11.99	-
Dividend Income	-	0.28
Investment in equity shares	-	(0.56)
Net cash flows (used in)/ from investing activities (B)	**(314.42)**	**(32.95)**
Cash flow from financing activities:		
Debt securities issued/(repaid) (net)	256.34	(257.19)
Borrowings other than debt securities issued (net)	3,123.33	2,264.41
Subordinated liabilities repaid (net)	(0.44)	(25.00)
Payment of lease liability (net)	(18.89)	(18.36)
Proceeds from the employee stock options	4.73	3.03
Net cash flows from financing activities (C)	**3,365.07**	**1,966.89**
Net (decrease)/ increase in cash and cash equivalents	**(239.11)**	**(779.53)**
Cash and cash equivalents as at the beginning of the year (Refer Note 4)	1,580.51	2,360.04
Cash and cash equivalents as at the end of the year (Refer Note 4)	**1,341.40**	**1,580.51**

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/ S200018

M Seethalakshmi
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

For and on behalf of Board of Directors of CreditAccess Grameen Limited

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
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S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

Notes to the standalone financial Statements for the year ended March 31, 2023

1. Corporate information

CreditAccess Grameen Limited (CIN- L51216KA1991PLC053425) is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and has got classified as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with effect from September 5, 2013. The Company's shares are listed on BSE Limited ('BSE') and National Stock Exchange of India Ltd ('NSE'). The Company being a Non-banking financial company (NBFC – MFI), is registered with the Reserve Bank of India (Certificate of Registration Number: B- 02.00252). The Compnay is located at New No. 49 (Old No. 725), 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalayana Mantap) Bengaluru 560071, Karnataka, India.

The Company is engaged primarily in providing micro finance services to women who are enrolled as members and organized as Joint Liability Groups ('JLG') or Self Help Groups ('SHG'). In addition to the core business of providing micro-credit, the Company uses its distribution channel to provide certain other financial products and services to the members. The financial statements of the Company for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 16, 2023.

2. Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").

The standalone financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period. The financial statements are presented in Indian Rupees (`) and all values are rounded to the nearest crore, except when otherwise indicated. These standalone financial statements have been prepared on a going concern basis.

2.1. Presentation of standalone financial statements

The Company generally reports financial assets and financial liabilities on a gross basis in the balance sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

2.2. Critical accounting estimates and judgements

The preparation of the Company's standalone financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the standalone financial statements for e.g.:

- Business model assessment (Refer Note no. 3.14)
- Effective interest rate (EIR) (Refer Note no. 3.1.1)
- Impairment of financial assets (Refer Note no. 3.15)
- Provision for tax expenses (Refer note no. 3.11)
- Residual value and useful life of property, plant and equipment (Refer Note no. 3.6.1)
- Hedge accounting (Refer Note no. 3.17)

3. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Revenue recognition

3.1.1 Interest income

Interest income for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

3.1.2 Interest on financial assets at fair value through profit and loss (FVTPL) is recognised in accordance with the contractual terms of the instrument.

3.1.3 The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue From Contracts with Customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

3.1.4 The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

3.1.5 Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised.

3.1.6 Dividend Income

Dividend income is recognised when the right to receive payment is established."

3.2 Finance cost

Borrowing cost on financial liabilities including towards securitisation transactions not derecognised by the Company are recognised by applying the EIR.

3.3 Cash and cash equivalents

Cash and cash equivalents, comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less, that are readily convertible to cash with an insignificant risk of changes in value.

3.4 Property, plant and equipment ('PPE')

Initial Recognition and measurement:

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

3.6 Depreciation and amortization

3.6.1 Depreciation

Depreciation on property, plant and equipment is measured using the straight line method as per the useful lives of the assets estimated by the management. The useful life estimated by the management is as under:

Category of Asset	Useful life (Years)
Furniture and fittings	10
Office equipments	05
Vehicles	08
Buildings	30
Electrical equipments	10
Computers (Including Servers)	03

Leasehold improvement is amortised on a straight line basis over the primary period of lease.

The management has estimated the useful life of servers and two-wheeler vehicles as 3 years and 8 years respectively, which are lower than those prescribed under Schedule II to the Act.

Property, plant and equipment costing less then ₹ 5000 per unit are fully depreciated in the year of purchase.

3.6.2 Amortisation of intangible assets and Impairment of Goodwill

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The management has determined its estimate of useful economic life as five years. Customer relationship is amortised over a period of 10 years. The useful lives of intangible assets are reviewed at each financial year and adjusted.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units or groups of cash generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

3.7 Impairment of non–financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.9 Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised. A contingent asset is disclosed, where an inflow of economic benefits is probable.

3.10 Retirement and other employee benefits

3.10.1 Defined contribution plan

Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

CREDITACCESS GRAMEEN LIMITED
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3.10.2 Defined benefit plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Gains or losses through remeasurements of net benefit liabilities/ assets are recognised with corresponding charge/credit to the retained earnings through other comprehensive income in the period in which they occur.

3.10.3 Other employee benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

3.11 Taxes

3.11.1 Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

3.11.2 Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Share based payments

Equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 38.

The cost of equity-settled transactions is measured using the fair value method and recognised, together with a corresponding increase in the "Share options outstanding account" in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

3.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.14.1 Financial Assets

3.14.1.1 Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

3.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:
- Loans at amortised cost
- Loans at fair value through other comprehensive income (FVTOCI)
- Investments in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

3.14.1.3 Loans at amortised costs

Loans are measured at the amortised cost if both the following conditions are met:

(a) Such loan is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.14.1.4 Loans at fair value through other comprehensive income (FVTOCI)

Loans are classified as at the FVTOCI if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Loans included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is recognised as interest income using the EIR method.

3.14.1.5 Investment in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

3.14.2 Financial Liabilities

3.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as such on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

3.14.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.14.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

3.14.4 De-recognition of financial assets and liabilities

3.14.4.1 De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Company has transferred the financial asset if, and only if, either:
- It has transferred its contractual rights to receive cash flows from the financial asset
Or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.

- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:

- The Company has transferred substantially all the risks and rewards of the asset
Or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss account.

3.14.4.2 De-recognition of financial liabilities

Financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.15 Impairment of financial assets

3.15.1 Overview of the Expected Credit Loss (ECL) allowance principles

The Company is recording the allowance for expected credit losses for all loans at amortised cost and FVOCI and other debt financial assets not held at FVTPL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined in Note 3.15.2). The Company's policies for determining if there has been a significant increase in credit risk are set out in Note 41.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis for identified homogenous pool of loans. The Compnay's policy for grouping financial assets measured on a collective basis is explained in Note 41.

Accordingly, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs.

Stage 3: Loans considered credit-impaired (as outlined in Note 41). The Company records an allowance for the LTECLs.

For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) de-recognition of the financial asset.

3.15.2 The calculation of ECL

The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

ECL consists of three key components: Probability of Default (PD), Exposure at Default (EAD) and Loss given default (LGD). ECL is calculated by multiplying them. Refer Note 41 for explanation of the relevant terms.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

3.16 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss account.

3.17 Hedge accounting

The Company enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

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Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

Here, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'.

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item.

The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

3.18 Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantegeous market must be accessible by the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured are categorised with fair value hierachy into Level I, Level II and Level III based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

• Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

• Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 - Unobservable inputs for the asset or liability.

3.19 Segment information

The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

3.20 Business combination

3.20.1 Business combinations under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The Company accounts for business combinations under common control as per the pooling of interest method. The pooling of interest method involves the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial Information, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(iv) The identity of the reserves are preserved and appear in the financial statements of the transferee in same form in which they appeared in the financial statements of the transferor.

3.20.2 Other business combinations

The Company uses the acquisition method of accounting to account for business combinations other than those under common control. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Any goodwill that arises on account of such business combination is tested annually for impairment. Any contingent consideration is measured at

fair value at the date of acquisition. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Compnay incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Company, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

3.21 Foreign currency

3.21.1 All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

3.21.2 Foreign currency monetary items are reported using the exchange rate prevailing at the close of the period.

3.21.3 Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

3.22 Leases (where the Company is the lessee)

Short term leases not covered under Ind AS 116 are classified as operating lease. Lease payments during the year are charged to statement of profit and loss. Future minimum rentals payable under non-cancellable operating leases.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises and servers. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

3.23 Investments

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income (FVTOCI). All other investments are classified and measured as FVTPL only.

3.24 Recent Accounting pronouncements

3.24.1 Key New and amended standards adopted by the Company

(a) Ind AS 16, Property Plant and Equipment; Proceeds before intended use of property, plant and equipment

The amendment clarifies that an entity shall not deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

(b) Ind AS 37, Provisions, contingent Liabilities and contingent Assets; Onerous contracts - Cost of fulfilling a contract

The amendment explains that the cost of fulfilling a contract comprises; the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

(c) Ind AS 109, Financial instruments; Fees Included in the 10% test for derecognition of financial Liabilities.

The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, Including fees paid or received by either the entity or the lender on the other's behalf.

3.24.2 Key Amendments applicable from next Financial year

(a) Disclosure of Accounting Policies-Amendments to lnd AS 1, Presentation of financial statements

The amendment requires entities to disclose their material rather than their significant accounting policies. The amendments define what is material accounting policy information and explain how to identity when accounting policy information is material.They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

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(b) Definition of Accounting Estimates-Amendments to Ind AS 8. Accounting policies, changes in accounting estimates and errors

The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the curent period.

(c) Deferred tax related to assets and liabilities transaction Amendments to Ind AS 12 Income taxes

The amendment requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and liabilities at the beginning of the eartiest comparative period for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities, and decommissioning restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings or another component of equity,as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable.

The Company does not expect any of these amendments to have any material effect on the financial statements.

4 Cash and cash equivalents

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Cash in hand	12.43	7.58	8.24
Balances with Banks in current accounts	211.01	100.35	216.98
Bank deposit with maturity of less than 3 months	1,117.96	1,472.58	2,134.82
Total	**1,341.40**	**1,580.51**	**2,360.04**

5 Bank balance other than cash and cash equivalents

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Fixed deposit with bank not considered as cash and cash equivalents*	95.01	180.84	124.29
Total	**95.01**	**180.84**	**124.29**

*Balances with banks to the extent held as margin money or security against the borrowings.

6 Loans $

₹ in crore

Particulars	March 31, 2023			March 31, 2022			March 31, 2021		
	Amortised cost	At fair value through OCI #	Total	Amortised cost	At fair value through OCI	Total	Amortised cost	At fair value through OCI	Total
(A) Term loans:									
Group lending **	19,224.27	-	19,224.27	3,547.06	11,555.32	15,102.38	2,650.95	9,275.37	11,926.32
Individual loans	166.92	-	166.92	196.81	-	196.81	416.79	-	416.79
Total - Gross	**19,391.19**	**-**	**19,391.19**	**3,743.87**	**11,555.32**	**15,299.19**	**3,067.74**	**9,275.37**	**12,343.11**
Less: Impairment loss allowance	347.85	-	347.85	224.60	309.26	533.86	240.59	382.04	622.63
Total - Net*	**19,043.34**	**-**	**19,043.34**	**3,519.27**	**11,246.06**	**14,765.33**	**2,827.15**	**8,893.33**	**11,720.48**
(B) Loan to subsidary:									
Madhura Micro Education Private Limited	-	-	-	-	-	-	2.32	-	2.32
Total - Gross	**-**	**-**	**-**	**-**	**-**	**-**	**2.32**	**-**	**2.32**
Less: Impairment loss allowance	-	-	-	-	-	-	2.32	-	2.32
Total - Net*	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(C) (a) Secured by tangible assets	60.21	-	60.21	9.24	-	9.24	6.34	-	6.34
(b) Unsecured	19,330.98	-	19,330.98	3,734.63	11,555.32	15,289.95	3,063.72	9,275.37	12,339.09
Total - Gross	**19,391.19**	**-**	**19,391.19**	**3,743.87**	**11,555.32**	**15,299.19**	**3,070.06**	**9,275.37**	**12,345.43**
Less: Impairment loss allowance	347.85	-	347.85	224.60	309.26	533.86	242.91	382.04	624.95
Total - Net*	**19,043.34**	**-**	**19,043.34**	**3,519.27**	**11,246.06**	**14,765.33**	**2,827.15**	**8,893.33**	**11,720.48**
(D) (I) Loans in India									
(a) Public sector	-	-	-	-	-	-	-	-	-
(b) Others	19,391.19	-	19,391.19	3,743.87	11,555.32	15,299.19	3,070.06	9,275.37	12,345.43
Total - Gross	**19,391.19**	**-**	**19,391.19**	**3,743.87**	**11,555.32**	**15,299.19**	**3,070.06**	**9,275.37**	**12,345.43**
Less: Impairment loss allowance	347.85	-	347.85	224.60	309.26	533.86	242.91	382.04	624.95
Total - Net*	**19,043.34**	**-**	**19,043.34**	**3,519.27**	**11,246.06**	**14,765.33**	**2,827.15**	**8,893.33**	**11,720.48**
(E) (II) Loans outside India	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-
Total - Net*	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

*Includes fair value of loans designated at FVOCI.

** Group Lending includes both Joint Liability Loans and Self Help Group Loans including securitized assets.

During the quarter ended June 30, 2022, the Company had reassessed its business model and concluded that Income Generating Loans (IGL) are primarily intended to collect contractual cash flows being solely payments of principal and interest on the principal amount outstanding. Accordingly, as required under Ind AS 109, IGL loans portfolio which were earlier classified as and valued at "Fair Value through other Comprehensive Income" have been classified as and valued at "Amortised cost" with effect from July 01, 2022. Consequently, the Company has reversed accumulated fair value loss of ₹ 84.14 crores on such IGL loans and related deferred tax of ₹ 21.18 crores in other equity on July 01, 2022.

$ The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013),either severally or jointly with any other person that are - (a) repayable on demand or (b) without specifying any terms or period of repayment.

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6(A) Group lending loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances (including loans measured at FVTOCI) in relation to Group lending loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2022	**14,402.74**	**180.67**	**518.97**	**15,102.38**
(a) New assets originated or purchased	18,281.23	-	-	18,281.23
(b) Asset derecognised or repaid (Excluding write offs) #	(13,443.55)	(75.29)	(91.55)	(13,610.39)
Assets written off during the year	-	-	(548.95)	(548.95)
Movement between stages				
Transfer from Stage 1	(371.14)	179.19	191.95	-
Transfer from Stage 2	50.95	(243.85)	192.90	-
Transfer from Stage 3	31.11	2.16	(33.27)	-
Gross carrying value of assets as at March 31, 2023	**18,951.34**	**42.88**	**230.05**	**19,224.27**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2022	**113.60**	**53.39**	**324.55**	**491.54**
(a) New assets originated or purchased	148.42	-	-	148.42
(b) Asset derecognised or repaid (Excluding write offs) #	(107.72)	(29.20)	(61.46)	(198.38)
Assets written off during the year			(548.95)	(548.95)
Movement between stages				
Transfer from Stage 1	(3.20)	1.47	1.73	-
Transfer from Stage 2	26.82	(122.69)	95.86	-
Transfer from Stage 3	22.51	1.55	(24.06)	-
Impact on ECL on account of movement between stages	(46.39)	116.17	375.95	445.73
ECL allowance as at March 31, 2023	**154.04**	**20.69**	**163.62**	**338.36**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2021	**11,200.06**	**210.24**	**516.02**	**11,926.32**
(a) New assets originated or purchased	15,399.29	-	-	15,399.29
(b) Asset derecognised or repaid (Excluding write offs) #	(10,573.38)	(574.38)	(424.64)	(11,572.40)
Assets written off during the year	-	-	(650.83)	(650.83)
Movement between stages				
Transfer from Stage 1	(2,153.68)	1,474.02	679.66	-
Transfer from Stage 2	468.10	(1,003.41)	535.31	-
Transfer from Stage 3	62.35	74.20	(136.55)	-
Gross carrying value of assets as at March 31, 2022	**14,402.74**	**180.67**	**518.97**	**15,102.38**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2021	**182.03**	**41.92**	**347.54**	**571.49**
(a) New assets originated or purchased	110.80	-	-	110.80
(b) Asset derecognised or repaid (Excluding write offs) #	(127.63)	(139.93)	(287.71)	(555.27)
Assets written off during the year	-	-	(650.83)	(650.83)
Movement between stages				
Transfer from Stage 1	(15.28)	10.15	5.13	-
Transfer from Stage 2	200.07	(411.00)	210.93	-
Transfer from Stage 3	46.76	55.66	(102.42)	-
Impact on ECL on account of movement between stages	(283.15)	496.59	801.91	1,015.35
ECL allowance as at March 31, 2022 *	**113.60**	**53.39**	**324.55**	**491.54**

Represents balancing figure.
* Includes ECL allowance created on loan assets measured through other comprehensive income of ₹ 309.26 crores

6(B) Individual lending

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Individual lending loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2022	**151.99**	**5.14**	**39.68**	**196.81**
(a) New assets originated or purchased	143.06	-	-	143.06
(b) Asset derecognised or repaid (Excluding write offs) #	(126.90)	(1.79)	(6.24)	(134.93)
Assets written off during the year	-	-	(38.02)	(38.02)
Movement between stages				
Transfer from Stage 1	(8.72)	6.27	2.45	-
Transfer from Stage 2	0.20	(9.19)	8.99	-
Transfer from Stage 3	0.31	0.21	(0.52)	-
Gross carrying value of assets as at March 31, 2023	**159.94**	**0.64**	**6.34**	**166.92**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2022	**3.04**	**2.53**	**36.75**	**42.32**
(a) New assets originated or purchased	2.91	-	-	2.91
(b) Asset derecognised or repaid (Excluding write offs) #	(2.57)	(0.89)	(5.80)	(9.26)
Assets written off during the year	–	–	(38.02)	(38.02)
Movement between stages				
Transfer from Stage 1	(0.18)	0.13	0.05	-
Transfer from Stage 2	0.10	(4.60)	4.50	-
Transfer from Stage 3	0.29	0.20	(0.49)	-
Impact on ECL on account of movement between stages	(0.36)	2.96	8.94	11.54
ECL allowance as at March 31, 2023	**3.23**	**0.33**	**5.93**	**9.49**

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₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2021	**371.50**	**12.63**	**32.67**	**416.79**
(a) New assets originated or purchased	72.81	-	-	72.81
(b) Asset derecognised or repaid (Excluding write offs) #	(228.63)	(19.22)	(10.24)	(258.09)
Assets written off during the year	–	–	(34.71)	(34.71)
Movement between stages				
Transfer from Stage 1	(84.58)	77.88	6.70	-
Transfer from Stage 2	20.34	(75.98)	55.64	-
Transfer from Stage 3	0.55	9.83	(10.38)	-
Gross carrying value of assets as at March 31, 2022	**151.99**	**5.14**	**39.68**	**196.81**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2021	**12.41**	**6.17**	**32.57**	**51.15**
(a) New assets originated or purchased	1.47	-	-	1.47
(b) Asset derecognised or repaid (Excluding write offs) #	(6.14)	(9.34)	(9.59)	(25.07)
Assets written off during the year			(34.70)	(34.70)
Movement between stages				
Transfer from Stage 1	(1.67)	1.53	0.14	-
Transfer from Stage 2	10.16	(37.42)	27.26	-
Transfer from Stage 3	0.56	9.83	(10.39)	-
Impact on ECL on account of movement between stages	(13.75)	31.76	31.46	49.47
ECL allowance as at March 31, 2022	**3.04**	**2.53**	**36.75**	**42.32**

Represents balancing figure.

7 Investments*

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Investments in fully paid equity shares			
Unquoted			
(i) At fair value through profit and loss			
(a) Alpha Microfinance Consultants Private Ltd	0.54	0.54	0.54
(ii) At amortised cost #			
(a) Investment in Madura Micro Education Private Limited (Subsidiary)	-	1.49	1.49
Less: Provision for Impairment loss	-	(1.49)	(1.49)
(b) Creditaccess India Foundation (Subsidiary)	0.01	0.01	-
(c) Investment in Government Securities	453.98	-	-
Total	**454.53**	**0.55**	**0.54**

* All Investment in Note 7 above are within India.

Madura Micro Education Private Limited (One of the subsidiary company) does not have any operations or business activity post March 31, 2021. The subsidiary company has been struck-off by the Office of the Registrar of Companies, Tamil Nadu vide its Public Notice No.ROC/Chn/S.248 (2)/ 303/2022/5 dated October 31, 2022, as per the application filed by MMEPL.

8 Other financial assets

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Receivable from assignment of portfolio (unsecured, considered good)	104.44	78.67	105.47
Security deposits (unsecured, considered good)*	14.13	12.95	11.73
Loans and advances to employees (unsecured, considered good)	14.42	15.20	8.02
Other financial assets			
Unsecured, considered good	16.60	11.66	7.09
Unsecured, considered doubtful	0.50	1.53	0.39
Less: Provision for doubtful advances	(0.50)	(1.53)	(0.39)
Total	**149.59**	**118.48**	**132.31**

* Includes an amount of ₹ 0.06 crore (Previous year ₹ 0.06 crore) paid under protest towards PF Notice (Refer Note.34)

9 Other non-financial assets

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Prepaid expenses	13.14	7.41	5.46
Advances to employees	0.03	0.23	0.15
Capital Advance	-	-	1.17
Other advances			
Unsecured, considered good	5.95	2.57	6.43
Unsecured, considered doubtful	2.28	1.21	0.98
Less: Provision for doubtful advances	(2.28)	(1.21)	(0.98)
Total	**19.12**	**10.21**	**13.21**

10 (A)

₹ in crore

Particulars	Property, plant and equipment								Total	Right of use assets		Total	Intangible assets		
	Computer	Electrical Equipment	Furniture & Fixtures	Leasehold Improvement	Office equipment	Vehicles	Freehold land	Buildings		Buildings	Computer		Computer software	Customer relationship	Total
Cost:															
At March 31, 2021	**17.44**	**0.91**	**10.57**	**9.24**	**17.99**	**0.63**	**0.17**	**0.21**	**57.16**	**24.43**	**62.73**	**87.16**	**33.72**	**162.82**	**196.54**
Additions	4.45	0.19	3.19	0.68	5.75	0.25	5.64	-	**20.15**	0.88	19.06	**19.94**	5.25	-	**5.25**
Disposals	(0.66)	(0.02)	(0.06)	-	(0.54)	-	-	-	**(1.28)**	(1.06)	-	**(1.06)**	-	-	**-**
At March 31, 2022	**21.23**	**1.08**	**13.70**	**9.92**	**23.20**	**0.88**	**5.81**	**0.21**	**76.03**	**24.25**	**81.79**	**106.04**	**38.97**	**162.82**	**201.79**
Additions	5.26	0.20	2.65	0.67	4.71	0.29	-	-	**13.78**	4.97	-	**4.97**	2.74	-	**2.74**
Disposals	(0.02)	(0.02)	(0.05)	-	(0.96)	(0.20)	-	-	**(1.25)**	-	(1.61)	**(1.61)**	(0.66)	-	**(0.66)**
At March 31, 2023	**26.47**	**1.26**	**16.30**	**10.59**	**26.95**	**0.97**	**5.81**	**0.21**	**88.56**	**29.22**	**80.18**	**109.40**	**41.05**	**162.82**	**203.87**
Depreciation/Amortisation:															
At March 31, 2021	**11.65**	**0.71**	**6.11**	**5.26**	**8.80**	**0.47**	**-**	**0.01**	**33.00**	**8.17**	**11.49**	**19.66**	**16.05**	**16.95**	**33.00**
Depreciation/ Amortisation charge for the year	4.40	0.20	2.02	1.42	4.28	0.08	-	0.01	**12.41**	4.78	7.90	**12.68**	5.77	16.37	**22.14**
Disposals	(0.65)	(0.01)	(0.05)	-	(0.45)	-	-	-	**(1.16)**	(1.06)	-	**(1.06)**	-	-	**-**
At March 31, 2022	**15.40**	**0.90**	**8.08**	**6.68**	**12.63**	**0.55**	**-**	**0.02**	**44.25**	**11.89**	**19.39**	**31.28**	**21.82**	**33.32**	**55.14**
Depreciation/Amortisation charge for the year	3.99	0.24	1.56	1.34	6.14	0.10	-	0.01	**13.38**	4.35	9.24	**13.59**	6.45	16.42	**22.87**
Disposals	(0.02)	(0.01)	(0.05)	-	(0.85)	(0.20)	-	-	**(1.13)**	-	(0.22)	**(0.22)**	(0.66)	-	**(0.66)**
At March 31, 2023	**19.37**	**1.13**	**9.59**	**8.02**	**17.92**	**0.45**	**-**	**0.03**	**56.50**	**16.24**	**28.41**	**44.65**	**27.61**	**49.74**	**77.35**
Net book value:															
At March 31, 2021	**5.79**	**0.20**	**4.47**	**3.98**	**9.19**	**0.16**	**0.17**	**0.20**	**24.16**	**16.26**	**51.24**	**67.50**	**17.67**	**145.87**	**163.54**
At March 31, 2022	**5.83**	**0.18**	**5.62**	**3.24**	**10.57**	**0.33**	**5.81**	**0.19**	**31.78**	**12.36**	**62.41**	**74.76**	**17.15**	**129.50**	**146.65**
At March 31, 2023	**7.10**	**0.13**	**6.71**	**2.57**	**9.03**	**0.52**	**5.81**	**0.18**	**32.06**	**12.98**	**51.77**	**64.75**	**13.44**	**113.08**	**126.52**

Note:
(i) There were no change due to revaluation and changes due to impairment losses in current and previous years. The Company acquired the assets on account of Merger w.e.f April 1 ,2020.
(ii) There are no immovable properties whose title deed are not held in name of the Company or are jointly held with others.

10 (B)

(i) Intangible assets under development

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Opening	**3.07**	**0.62**
Additions during the year	2.86	3.84
Less: Capitalised during the year	(1.99)	(1.39)
Closing	**3.94**	**3.07**

(ii) Intangible assets under development aging schedule as at 31 March 2023*

₹ in crore

Particulars	March 31, 2023				March 31, 2022				March 31, 2021			
	Amount in Intangible assets under development for a period of				Amount in Intangible assets under development for a period of				Amount in Intangible assets under development for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**1.90**	**2.04**	**-**	**-**	**2.64**	**0.43**	**-**	**-**	**0.62**	**-**	**-**	**-**

*There was no Project which was temporarily suspended as at March 31, 2023, March 31, 2022 and March 31, 2021.

11 Derivative financial instruments

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Part I			
(i) Cross currency interest rate swap derivatives: #			
Fair value liability			
Cross currency interest rate swaps	-	1.66	-
Total	**-**	**1.66**	**-**
Part II			
(i) Cross currency interest rate swap derivatives: #			
Fair value Assets			
Cross currency interest rate swaps	31.63	-	-
Total	**31.63**	**-**	**-**
Part III			
Included in above (Part I and Part II) are derivatives held for hedging and risk management purposes as follows:			
(i) Cash flow hedging: **Fair value liability**			
Cross currency interest rate swaps	-	(1.66)	-
Fair value Assets			
Cross currency interest rate swaps	31.63	-	-
Total	**31.63**	**(1.66)**	**-**

Notional amounts of Cross currency interest rate swaps of ₹ 1,575.32 crore (March 31, 2022 : ₹ 111.75 crore).

12 Payables

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises (refer Note below)	0.10	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	43.95	34.78	22.05
Total	**44.05**	**34.78**	**22.05**
Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises (refer Note below)	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	259.65	224.03	179.65
Total	**259.65**	**224.03**	**179.65**
Total Payable	**303.70**	**258.81**	**201.70**

Note:
(A) Dues to micro enterprises and small enterprises:

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.10	-	-
(ii) the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	0.00	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year;	0.00	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-

(B) Trade Payables aging schedule*
(i) As at March 31, 2023

₹ in crore

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	March 31, 2023				
(i) MSME	**0.10**	**-**	**-**	**-**	**0.10**
(ii) Others	**43.95**	**-**	**-**	**-**	**43.95**
	March 31, 2022				
(i) MSME	**-**	**-**	**-**	**-**	**-**
(ii) Others	**34.74**	**0.04**	**-**	**-**	**34.78**
	March 31, 2021				
(i) MSME	**-**	**-**	**-**	**-**	**-**
(ii) Others	**22.05**	**-**	**-**	**-**	**22.05**

*There were no Disputed payable as at March 31, 2023, March 31, 2022 and March 31, 2021.

13 Debt securities (at amortised cost)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Debentures (secured)	1,672.35	1,418.10	1,659.94
Debentures (unsecured)	-	-	15.01
Total	**1,672.35**	**1,418.10**	**1,674.95**
Debt securities in India	1,672.35	1,418.10	1,674.95
Debt securities outside India	-	-	-
Total	**1,672.35**	**1,418.10**	**1,674.95**

Nature of security
The above debentures are secured by the way of first and exclusive charge over eligible specified book debts of the Company.

Debentures (secured) (at amortised cost)

Terms of debentures	Number of debentures			Face value	Amount in crore		
	March 31, 2023	March 31, 2022	March 31, 2021		March 31, 2023	March 31, 2022	March 31, 2021
11.68% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable at par at the end of six years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. September 28, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	195	195	195	1,000,000	19.51	19.50	19.48
11.48% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable at par at the end of six years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. September 28, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	195	195	195	1,000,000	19.51	19.49	19.47
11.11% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after three years from the date of allotment i.e. February 27, 2020.	-	800	800	1,000,000	-	80.52	80.33

Debentures (secured) (at amortised cost) (continued)

11.60% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after five years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. July 31, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	-	1,000	1,000	1,000,000	-	100.94	100.95
10.34% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after five years from the date of allotment i.e. May 31, 2017.	-	459	905	1,000,000	-	47.39	93.19
9.50% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after five years from the date of allotment i.e. November 8, 2019.	2,140	2,140	2,140	1,000,000	221.07	220.19	219.39
10.50% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after thirty four months from the date of allotment i.e. June 29, 2020.	240	725	1,208	1,000,000	24.27	74.29	123.74
9.81% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after three years from the date of allotment i.e. July 31, 2020.	84	167	250	1,000,000	8.46	16.89	25.31
10.00% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after three years from the date of allotment i.e. June 26, 2020.	500	500	500	1,000,000	53.74	53.62	53.52
10.05% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after three years from the date of allotment i.e. July 3, 2020.	300	300	300	1,000,000	32.20	32.15	32.10
9.95% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after thirty four months from the date of allotment i.e. July 27, 2020.	1,000	1,000	1,000	1,000,000	106.72	106.64	106.57
10.20% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after thirty seven months from the date of allotment i.e. March 13, 2020.	-	170	170	1,000,000	-	16.97	16.94
9.25% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after eighteen months from the date of allotment i.e. August 14, 2020.	-	-	500	1,000,000	-	-	52.84
9.25% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after eighteen months from the date of allotment i.e. August 14, 2020.	-	-	360	1,000,000	-	-	37.98
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after eighteen months from the date of allotment i.e. September 23, 2020.	-	-	500	1,000,000	-	-	49.93
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after eighteen months from the date of allotment i.e. September 23, 2020.	-	-	500	1,000,000	-	-	49.97

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Debentures (secured) (at amortised cost) (continued)

9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after eighteen months from the date of allotment i.e. October 20, 2020.	-	1,000	1,000	1,000,000	-	104.04	103.73
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after eighteen months from the date of allotment i.e. November 11, 2020.	-	250	250	1,000,000	-	25.88	25.80
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after eighteen months from the date of allotment i.e. December 10, 2020.	-	250	1,000	1,000,000	-	25.12	100.35
9.00% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹1,000,000 each redeemable after two years from the date of allotment i.e. March 25, 2021.	-	500	500	1,000,000	-	54.13	49.55
10.42% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after three years from the date of allotment i.e. March 31, 2021.	1,450	1,450	1,450	1,000,000	144.96	144.93	144.90
8.56% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹1,000,000 each redeemable after two years and five days from the date of allotment i.e. August 31, 2021.	1,000	1,000	-	1,000,000	113.12	104.11	-
9.90% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after three years and fifteen days from the date of allotment i.e. April 30, 2021.	710	710	-	1,000,000	70.96	70.92	-
9.70% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after three years from the date of allotment i.e. March 11, 2022.	552	552	-	1,000,000	55.13	55.09	-
8.45% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹1,000,000 each redeemable after two years and three months from the date of allotment i.e. September 27, 2022.	600	-	-	1,000,000	61.86	-	-
10.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after four years from the date of allotment i.e. November 18, 2022.	2,400	-	-	1,000,000	246.50	-	-
9.45% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after two years from the date of allotment i.e. November 23, 2022.	1,853,133	-	-	1,000	182.81	-	-
9.83% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after two years from the date of allotment i.e. November 23, 2022.	250,620	-	-	1,000	25.50	-	-
9.60% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after three years from the date of allotment i.e. November 23, 2022.	2,124,936	-	-	1,000	209.40	-	-
10.02% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after three years from the date of allotment i.e. November 23, 2022.	133,912	-	-	1,000	13.62	-	-

Debentures (secured) (at amortised cost) (continued)

10.00% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after five years from the date of allotment i.e. November 23, 2022.	554,955	-	-	1,000	54.64	-	-
10.46% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after five years from the date of allotment i.e. November 23, 2022.	82,444	-	-	1,000	8.37	-	-
10.11% Non-convertible Debentures - Privately placed, Listed. Secured by hypothecation of loans granted to Self Help Groups. The maturity date of the Debentures is June 30, 2022, redeemable in four equal instillments on October 04, 2021, December 31, 2021, March 31, 2022 and balance to be redeemed on June 30, 2022	-	250	250	1,000,000	-	6.25	25.00
10.50% Non-convertible Debentures - Privately placed, Listed Secured by exclusive charge on loans created out of the proceeds of the debentures. The NCD is redeemable in one bullet payment redeemed on February 17, 2022	-	-	500	1,000,000	-	-	53.26
11.00% Non-Convertible Debentures - Privately placed, unlisted Secured by exclusive charge on the loans created out of the proceeds of the debentures and immovable properties. 99.99% of the principal amount of the NCD is redeemable on May 13, 2021 and balance on May 13, 2023 **	-	-	360	1,000,000	-	-	37.46
9.80% Non-convertible Debentures - Privately placed, Unlisted. Secured by hypothecation of loans granted to Self Help Groups. The maturity date of the Debentures is April 23, 2024, with 99.99% redeemable on April 23, 2024 and balance to be redeemed on April 23, 2024**.	-	3,750	3,750	100,000	-	38.57	38.12
Total *	**5,011,366**	**17,363**	**19,583**		**1,672.35**	**1,417.63**	**1,659.88**

* The above excludes the impact of fair valuation of debt securities on acquisition.
** The balance 0.01% was prepaid on January 31, 2022

Debentures (unsecured) at amortised cost

Terms of debentures	Number of debentures			Face value (in ₹)	Amount (₹ in crores)		
	March 31, 2023	March 31, 2022	March 31, 2021		March 31, 2023	March 31, 2022	March 31, 2021
13.00% Non-Convertible Debentures - Privately placed, listed, unsecured .The NCD is redeemable on 16-Aug-2021.	-	-	150	1,000,000	-	-	15.01

Note: The rates mentioned above are the original coupons rates as per the individual contracts.

14 Borrowings other than debt securities (at amortised cost)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Term loans (secured)			
Banks	10,740.33	8,697.44	6,256.24
Financials institutions	1,525.75	2,043.43	2,132.53
Non-banking financial companies	597.47	457.46	368.67
External commercial borrowings	1,473.77	93.74	225.51
Term loans (unsecured)			
External commercial borrowings	125.88	116.08	-
Non banking financial companies	-	16.70	171.56
Collateralised borrowings from Banks (Refer Note 33) (arising on account of securitisation)	98.80	-	9.17
Total	**14,562.00**	**11,424.85**	**9,163.68**
Borrowings in India	12,962.35	11,215.03	8,938.17
Borrowings outside India	1,599.65	209.82	225.51
Total	**14,562.00**	**11,424.85**	**9,163.68**

Note:
(1) The term loans are covered by unsecured microfinance loans to the extent of minimum 100% of outstanding. Further in respect of borrowings (including Debentures) drawn during quarter 4 of FY 2022-23 aggregating to ₹ 1,694.44 crore (Quarter 4 of Previous year ₹ 1,019.70 crore), the Company will assign the book debts in due course as per the sanction terms. The borrowings have not been guaranteed by directors or others.

(2) Term loans availed during the year were applied for the purposes for which the loans were obtained, other than temporary deployment pending application.

14.1 Delay in repayment

There were no delay in repayment of borrowings as at March 31, 2023, March 31, 2022 and March 31, 2021.

15 Subordinated liabilities (at amortised cost)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Unsecured:			
Term Loan	25.26	25.57	50.26
Debentures	52.65	52.17	52.44
Total	**77.91**	**77.74**	**102.70**
Subordinated Liabilities in India	77.91	77.74	102.70
Subordinated Liabilities outside India	-	-	-
Total	**77.91**	**77.74**	**102.70**

Terms of repayment of borrowings as on March 31, 2023

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
				No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	
Debentures	Half Yearly	1-3 years	10.5%-11%	1	24.17	-	-	-	-	-	-	-	-	-	-	24.17
		Above 3 years	9.5%-10%	2	107.00	2	107.00	-	-	-	-	-	-	-	-	214.00
	Bullet	1-3 years	8%-8.5%	-	-	1	60.00	-	-	-	-	-	-	-	-	60.00
			8.5%-9%	1	100.00	-	-	-	-	-	-	-	-	-	-	100.00
			9%-9.5%	-	-	1	185.31	-	-	-	-	-	-	-	-	185.31
			9.5%-10%	2	108.33	2	80.26	1	212.49	-	-	-	-	-	-	401.08
			10%-10.5%	3	225.00	-	-	1	13.39	-	-	-	-	-	-	238.39
		Above 3 years	9.5%-10%	-	-	1	71.00	-	-	-	-	-	-	-	-	71.00
			10%-10.5%	-	-	-	-	-	-	-	-	2	63.74	-	-	63.74
			11%-11.5%	1	19.50	-	-	-	-	-	-	-	-	-	-	19.50
			11.5%-12%	1	19.50	-	-	-	-	-	-	-	-	-	-	19.50
			14%-14.5% $	-	-	1	50.00	-	-	-	-	-	-	-	-	50.00
	Annually	Above 3 years	10%-10.5%	-	-	-	-	1	48.00	1	192.00	-	-	-	-	240.00
Term loan banks	Monthly	1-3 years	7%-7.5%	4	3.64	-	-	-	-	-	-	-	-	-	-	3.64
			7.5%-8.0%	94	549.59	51	457.26	6	106.12	-	-	-	-	-	-	1,112.97
			8%-8.5%	126	228.43	46	30.28	-	-	-	-	-	-	-	-	258.71
			8.5%-9%	341	1,232.92	147	760.28	16	97.20	-	-	-	-	-	-	2,090.40
			9%-9.5%	651	1,964.95	427	1,563.56	112	360.19	-	-	-	-	-	-	3,888.70
			9.5%-10%	345	621.62	104	159.15	3	2.50	-	-	-	-	-	-	783.27
			10%-10.5%	198	277.85	56	89.46	3	1.82	-	-	-	-	-	-	369.13
			10.5%-11%	59	73.45	11	10.56	-	-	-	-	-	-	-	-	84.01
			11%-11.5%	34	37.77	2	2.06	-	-	-	-	-	-	-	-	39.83
			11.5%-12%	24	37.50	6	9.38	-	-	-	-	-	-	-	-	46.88
		Above 3 years	7.5%-8.0%	24	33.33	14	19.37	-	-	-	-	-	-	-	-	52.70
			8%-8.5%	6	29.09	-	-	-	-	-	-	-	-	-	-	29.09
			8.5%-9%	12	27.27	6	13.64	-	-	-	-	-	-	-	-	40.91
			9%-9.5%	35	51.96	17	23.04	9	6.25	-	-	-	-	-	-	81.25
			9.5%-10%	5	1.41	-	-	-	-	-	-	-	-	-	-	1.41
			10%-10.5%	19	20.60	12	10.91	3	2.73	-	-	-	-	-	-	34.24
			10.5%-11%	12	1.14	12	1.25	12	1.37	5	0.66	-	-	-	-	4.42
	Quarterly	1-3 years	7.5%-8%	8	45.00	6	27.50	1	2.50	-	-	-	-	-	-	75.00
			8%-8.5%	7	117.50	3	60.00	-	-	-	-	-	-	-	-	177.50
			8.5%-9%	12	98.67	12	99.35	2	18.10	-	-	-	-	-	-	216.12
			9%-9.5%	28	226.62	27	288.74	9	154.55	-	-	-	-	-	-	669.91
			9.5%-10.0%	27	89.72	21	78.47	1	8.75	-	-	-	-	-	-	176.94
			10.0%-10.5%	24	154.38	13	78.28	-	-	-	-	-	-	-	-	232.66
		Above 3 years	7.5%-8.0%	3	15.00	4	20.00	-	-	-	-	-	-	-	-	35.00
			9%-9.5%	7	63.64	8	72.73	-	-	-	-	-	-	-	-	136.37
	Half Yearly	1-3 years	10.0%-10.5%	2	20.00	-	-	-	-	-	-	-	-	-	-	20.00
	Bullet	1-3 years	8.5%-9.0%	-	-	1	12.50	-	-	-	-	-	-	-	-	12.50
			9.0%-9.5%	2	40.00	-	-	-	-	-	-	-	-	-	-	40.00
			10.0%-10.5%	1	27.50	-	-	-	-	-	-	-	-	-	-	27.50

Terms of repayment of borrowings as on March 31, 2023

₹ in crore

Term loan from financial institutions	Monthly	1-3 years	9.0%-9.5%	7	117.25	8	132.75	-	-	-	-	-	-	-	-	250.00
			12.0%-12.5%	24	40.00	18	26.67	-	-	-	-	-	-	-	-	66.67
	Quarterly	1-3 years	7.0%-7.5%	4	100.00	4	100.00	3	75.00	-	-	-	-	-	-	275.00
		Above 3 years	9.5%-10.0%	12	145.20	12	99.00	12	55.20	5	32.60	-	-	-	-	332.00
			11.5%-12.0%	4	2.50	3	1.50	-	-	-	-	-	-	-	-	4.00
	Half Yearly	Above 3 years	11.5%-12%	16	409.15	6	180.00	-	-	-	-	-	-	-	-	589.15
Term loan from non-banking financial companies	Monthly	1-3 years	9%-9.5%	46	77.02	42	71.39	20	45.29	-	-	-	-	-	-	193.70
			9.5%-10%	43	57.47	25	37.11	20	30.72	-	-	-	-	-	-	125.30
			10%-10.5%	16	38.74	12	37.71	-	-	-	-	-	-	-	-	76.45
		Above 3 years	10.5%-11.0%	24	36.36	6	12.12	-	-	-	-	-	-	-	-	48.48
			10.0%-10.5%	22	15.24	23	16.79	-	-	-	-	-	-	-	-	32.03
	Quarterly	1-3 years	9%-9.5%	4	8.33	4	8.33	-	-	-	-	-	-	-	-	16.66
			9.5%-10%	7	26.25	6	26.67	4	21.67	1	5.42	-	-	-	-	80.01
			10.0%-10.5%	4	8.33	-	-	-	-	-	-	-	-	-	-	8.33
	Half Yearly	1-3 years	10.5%-11.0%	4	15.33	-	-	-	-	-	-	-	-	-	-	15.33
External commercial borrowings	Half Yearly	Above 3 years	9.0%-9.5%	-	-	1	32.70	2	65.39	2	65.39	-	-	-	-	163.48
			9.5%-10.0%	-	-	2	115.47	4	230.94	4	230.94	-	-	-	-	577.35
			10.0%-10.5%	-	-	2	44.70	2	44.70	1	22.35	-	-	-	-	111.75
			10.5%-11.0%	-	-	-	-	-	-	2	82.22	2	82.22	-	-	164.44
	Yearly	Above 3 years	9.5%-10.0%	-	-	-	-	1	38.79	1	38.79	1	77.58	-	-	155.16
	Bullet	1-3 years	9.5%-10.0%	-	-	-	-	1	199.38	-	-	-	-	-	-	199.38
			10.0%-10.5%	-	-	-	-	1	203.75	-	-	-	-	-	-	203.75
Sub-debt	Bullet	Above 3 years	14.5%-15%	-	-	-	-	1	12.50	1	12.50	-	-	-	-	25.00
Securitisation	Monthly	1-3 years	8.5%-9.0%	12	72.65	5	26.12	-	-	-	-	-	-	-	-	98.77
Grand Total				**2,370.00**	**7,863.87**	**1,193.00**	**5,410.37**	**251.00**	**2,059.29**	**23.00**	**682.87**	**5.00**	**223.54**	**-**	**-**	**16,239.94**

$ Sub-debt in the nature of Debentures.
Note: The above amount pertains to the principal outstanding only.

Terms of repayment of borrowings as on March 31, 2022

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
				No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	
Debentures	Monthly	Above 3 years	9.50%-10.00%	1	37.50	-	-	-	-	-	-	-	-	-	-	37.50
	Quarterly	1-3 years	9%-9.5%	1	25.00	-	-	-	-	-	-	-	-	-	-	25.00
			10%-10.5%	1	6.25	-	-	-	-	-	-	-	-	-	-	6.25
	Half Yearly	1-3 years	10.5%-11%	2	48.33	1	24.17	-	-	-	-	-	-	-	-	72.50
		Above 3 years	9.5%-10%	-	-	2	107.00	2	107.00	-	-	-	-	-	-	214.00
	Bullet	1-3 years	8.5%-9%	-	-	1	100.00	-	-	-	-	-	-	-	-	100.00
			9%-9.5%	3	175.00	-	-	-	-	-	-	-	-	-	-	175.00
			9.5%-10%	1	8.33	2	108.34	-	-	-	-	-	-	-	-	116.67
			10%-10.5%	-	-	2	80.00	-	-	-	-	-	-	-	-	80.00
		Above 3 years	9.5%-10%	-	-	-	-	2	126.20	-	-	-	-	-	-	126.20
			10%-10.5%	1	17.00	1	145.00	-	-	-	-	-	-	-	-	162.00
			11%-11.5%	1	80.00	1	19.50	-	-	-	-	-	-	-	-	99.50
			11.5%-12%	1	100.00	1	19.50	-	-	-	-	-	-	-	-	119.50
			14%-14.5% $	-	-	1	50.00	-	-	-	-	-	-	-	-	50.00
	Annually	Above 3 years	10%-10.5%	1	45.90	-	-	-	-	-	-	-	-	-	-	45.90
Term loan banks	Monthly	1-3 years	5.5%-6.0%	9	16.88	-	-	-	-	-	-	-	-	-	-	16.88
			6.5%-7.0%	24	27.27	9	10.45	-	-	-	-	-	-	-	-	37.73
			7%-7.5%	56	183.42	46	138.86	11	26.47	-	-	-	-	-	-	348.75
			7.5%-8.0%	591	1,720.29	299	959.59	20	180.00	-	-	-	-	-	-	2,859.87
			8%-8.5%	285	713.72	197	554.13	62	175.10	-	-	-	-	-	-	1,442.96
			8.5%-9%	412	954.95	250	398.92	4	10.38	-	-	-	-	-	-	1,364.24
			9%-9.5%	212	472.63	107	245.00	7	11.88	-	-	-	-	-	-	729.51
			9.5%-10%	21	19.24	12	8.53	-	-	-	-	-	-	-	-	27.77
			10%-10.5%	26	46.75	-	-	-	-	-	-	-	-	-	-	46.75
			11%-11.5%	19	30.33	-	-	-	-	-	-	-	-	-	-	30.33
		Above 3 years	7%-7.5%	36	66.67	36	66.67	26	52.78	-	-	-	-	-	-	186.12
			7.5%-8.0%	24	33.33	24	33.33	16	22.22	-	-	-	-	-	-	88.89
			8%-8.5%	105	259.70	77	96.44	52	43.91	-	-	-	-	-	-	400.05
			8.5%- 9%	15	5.90	5	1.42	-	-	-	-	-	-	-	-	7.33
			9%-9.5%	24	4.45	18	3.13	12	1.25	12	1.37	5	0.63	-	-	10.84
			9.5%- 10%	12	18.22	-	-	-	-	-	-	-	-	-	-	18.22
			10%-10.5%	35	30.28	7	9.69	-	-	-	-	-	-	-	-	39.97
			10.5%-11%	15	34.57	-	-	-	-	-	-	-	-	-	-	34.57
	Quarterly	1-3 years	7.5%-7.75%	3	60.00	4	80.00	3	60.00	-	-	-	-	-	-	200.00
			8%-8.5%	4	50.00	3	37.50	-	-	-	-	-	-	-	-	87.50
			8.5%-9%	8	71.43	4	36.36	5	45.45	-	-	-	-	-	-	153.25
			9%-9.5%	12	27.05	8	14.55	3	5.45	-	-	-	-	-	-	47.05
		Above 3 years	6.5%-7.0%	4	20.00	4	20.00	4	20.00	-	-	-	-	-	-	60.00
			8.5%-9%	3	6.82	4	9.09	4	9.09	-	-	-	-	-	-	25.00
			9%-9.5%	6	54.55	8	72.73	8	72.73	-	-	-	-	-	-	200.00
	Half Yearly	1-3 years	9.5%-10%	2	20.00	2	20.00	-	-	-	-	-	-	-	-	40.00
	Bullet	1-3 years	7.5%-8.0%	3	82.50	1	27.50	-	-	-	-	-	-	-	-	110.00
			8.5%-9%	4	90.00	-	-	-	-	-	-	-	-	-	-	90.00

Terms of repayment of borrowings as on March 31, 2022

₹ in crore

Term loan from financial institutions	Monthly	1-3 years	6%-6.5%	24	108.50	-	-	-	-	-	-	-	-	-	-	108.50
		1-3 years	9.5%-10%	18	33.33	24	40.00	18	26.67	-	-	-	-	-	-	100.00
	Quarterly	Above 3 years	9%-9.5%	4	28.00	4	28.00	4	8.00	4	8.00	-	-	-	-	72.00
			9.5%-10%	8	140.80	8	117.20	8	91.00	8	47.20	5	32.60	-	-	428.80
			11.5%-12%	4	12.25	4	2.50	3	1.50	-	-	-	-	-	-	16.25
	Half Yearly	1-3 years	7%-7.5%	3	216.00	-	-	-	-	-	-	-	-	-	-	216.00
			10.5%-11%	2	82.49	-	-	-	-	-	-	-	-	-	-	82.49
		Above 3 years	10.5%-11%	8	12.30	-	-	-	-	-	-	-	-	-	-	12.30
			11.5%-12%	18	331.90	16	409.15	6	180.00	-	-	-	-	-	-	921.05
	Bullet	1-3 years	7%-7.5%	2	65.00	-	-	-	-	-	-	-	-	-	-	65.00
Term loan from non-banking financial companies	Monthly	1-3 years	8.5%-9%	32	76.96	16	42.06	12	37.71	-	-	-	-	-	-	156.74
			9%-9.5%	36	29.09	20	15.76	1	0.76	-	-	-	-	-	-	45.61
			9.5%-10%	16	25.82	4	15.33	-	-	-	-	-	-	-	-	41.16
			10%-10.5%	46	65.93	-	-	-	-	-	-	-	-	-	-	65.93
			11%-11.5%	3	4.21	-	-	-	-	-	-	-	-	-	-	4.21
		Above 3 years	9%-9.5%	36	42.56	36	44.05	26	27.85	-	-	-	-	-	-	114.45
	Quarterly	1-3 years	9%-9.5%	4	8.33	4	8.33	4	8.33	-	-	-	-	-	-	25.00
			10%-10.5%	4	8.33	4	8.33	-	-	-	-	-	-	-	-	16.67
			11.5%-12%	3	4.07	-	-	-	-	-	-	-	-	-	-	4.07
External commercial borrowings	Half Yearly	Above 3 years	10%-10.5%	-	-	-	-	2	44.70	2	44.70	1	22.35	-	-	111.75
	Bullet	1-3 years	11%-11.5%	1	93.44	-	-	-	-	-	-	-	-	-	-	93.44
Sub-debt	Bullet	Above 3 years	14.5%-15%	-	-	-	-	-	-	-	-	1	12.50	1	12.50	25.00
Grand Total				**2,255.00**	**7,053.60**	**1,277.00**	**4,228.11**	**325.00**	**1,396.43**	**26.00**	**101.27**	**12.00**	**68.08**	**1.00**	**12.50**	**12,860.00**

$ Sub-debt in the nature of Debentures.

Note: The above amount pertains to the principal outstanding only.

CREDITACCESS GRAMEEN LIMITED
STANDALONE FINANCIALS | FY 2023

Terms of repayment of borrowings as on March 31, 2021

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
				No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	
Debentures	Quarterly	1-3 years	10% - 10.5%	3	18.75	1	6.25	-	-	-	-	-	-	-	-	25.00
			9%-9.5%	3	75.00	1	25.00	-	-	-	-	-	-	-	-	100.00
	Half Yearly	1-3 years	10.5%-11%	2	48.33	2	48.33	1	24.17	-	-	-	-	-	-	120.83
		Above 3 years	9.5%-10%	-	-	-	-	2	107.00	2	107.00	-	-	-	-	214.00
	Bullet	1-3 years	9%-9.5%	4	186.00	3	175.00	-	-	-	-	-	-	-	-	361.00
			9.5%-10%	1	8.33	1	8.33	2	108.34	-	-	-	-	-	-	125.00
			10%-10.5%	1	50.00	-	-	2	80.00	-	-	-	-	-	-	130.00
			12.5% - 13%	1	15.00	-	-	-	-	-	-	-	-	-	-	15.00
		Above 3 years	9.5% - 10%	1	50.00	-	-	-	-	-	-	-	-	-	-	50.00
			10%-10.5%	-	-	1	17.00	1	145.00	-	-	-	-	-	-	162.00
			10.5% - 11%	2	36.00	-	-	-	-	-	-	-	-	-	-	36.00
			11%-11.5%	-	-	1	80.00	1	19.50	-	-	-	-	-	-	99.50
			11.5%-12%	-	-	1	100.00	1	19.50	-	-	-	-	-	-	119.50
	Annually	Above 3 years	10%-10.5%	1	44.55	1	45.90	-	-	-	-	-	-	-	-	90.45
Term loan banks	Monthly	1-3 years	7.5%-8.0%	292	1,061.25	179	532.48	-	-	-	-	-	-	-	-	1,593.73
			8%-8.5%	195	551.31	98	326.21	26	73.78	-	-	-	-	-	-	951.30
			8.5%-9%	162	480.03	58	119.19	-	-	-	-	-	-	-	-	599.22
			9%-9.5%	130	308.65	89	156.94	14	19.69	-	-	-	-	-	-	485.28
			9.5%-10%	13	7.27	12	5.00	12	5.00	-	-	-	-	-	-	17.27
			10% - 10.5%	52	87.02	23	43.18	-	-	-	-	-	-	-	-	130.20
			10.5% - 11%	62	67.58	3	3.57	-	-	-	-	-	-	-	-	71.15
			11% - 11.5%	52	74.62	19	30.33	-	-	-	-	-	-	-	-	104.95
		Above 3 years	8%-8.5%	24	116.67	24	116.67	6	29.16	-	-	-	-	-	-	262.50
			8.5%-9%	24	410.87	14	368.78	-	-	-	-	-	-	-	-	779.65
			9%-9.5%	22	11.00	24	12.51	17	10.33	-	-	-	-	-	-	33.84
			9.5%-10%	16	11.49	-	-	-	-	-	-	-	-	-	-	11.49
			10%-10.5%	66	49.57	48	42.27	11	10.80	-	-	-	-	-	-	102.64
			10.5% - 11%	36	20.42	11	9.57	-	-	-	-	-	-	-	-	29.99
			11% - 11.5%	19	6.17	-	-	-	-	-	-	-	-	-	-	6.17
			11.5% - 12%	24	56.52	14	34.36	-	-	-	-	-	-	-	-	90.88
	Quarterly	1-3 years	7.5%-8.0%	23	76.79	-	-	-	-	-	-	-	-	-	-	76.79
			8%-8.5%	14	59.00	-	-	-	-	-	-	-	-	-	-	59.00
			8.5%-9%	12	106.00	6	53.25	-	-	-	-	-	-	-	-	159.25
			9%-9.5%	2	16.25	-	-	-	-	-	-	-	-	-	-	16.25
			9.5% - 10%	4	12.50	-	-	-	-	-	-	-	-	-	-	12.50
			10% - 10.5%	2	12.50	-	-	-	-	-	-	-	-	-	-	12.50
			10.5% - 11%	3	28.57	-	-	-	-	-	-	-	-	-	-	28.57
		Above 3 years	10.5% - 11%	1	0.83	-	-	-	-	-	-	-	-	-	-	0.83
	Half Yearly	1-3 years	7.5%-8.0%	4	70.00	-	-	-	-	-	-	-	-	-	-	70.00
			8%-8.5%	4	74.16	-	-	-	-	-	-	-	-	-	-	74.16
			9.5%-10%	1	10.00	2	20.00	2	20.00	-	-	-	-	-	-	50.00
	Bullet	1-3 years	7.5%-8.0%	12	250.00	-	-	-	-	-	-	-	-	-	-	250.00
			7%-7.5%	-	-	2	32.50	-	-	-	-	-	-	-	-	32.50
			6.5%-7%	1	17.50	-	-	-	-	-	-	-	-	-	-	17.50
			8.5% - 9%	2	60.00	-	-	-	-	-	-	-	-	-	-	60.00
			9.5% - 10%	2	80.00	-	-	-	-	-	-	-	-	-	-	80.00

Terms of repayment of borrowings as on March 31, 2021

₹ in crore

Term loan from financial institutions	Monthly	1-3 years	6%-6.5%	25	142.82	2	16.00	-	-	-	-	-	-	-	-	158.82
			6.5% - 7%	2	20.00	-	-	-	-	-	-	-	-	-	-	20.00
			7% - 7.5%	11	9.82	-	-	-	-	-	-	-	-	-	-	9.82
			11.5% - 12%	2	2.48	-	-	-	-	-	-	-	-	-	-	2.48
		Above 3 years	6.5% - 7%	6	7.33	-	-	-	-	-	-	-	-	-	-	7.33
			12.5% - 13%	12	40.00	-	-	-	-	-	-	-	-	-	-	40.00
	Quarterly	Above 3 years	9% - 9.5%	4	28.00	4	28.00	4	28.00	4	8.00	4	8.00	-	-	100.00
			11.5% - 12%	4	15.00	4	12.25	4	2.50	3	1.50	-	-	-	-	31.25
	Half Yearly	1-3 years	7%-7.5%	3	269.00	2	123.50	-	-	-	-	-	-	-	-	392.50
			6.5% - 7%	2	50	1	25	-	-	-	-	-	-	-	-	74.99
		Above 3 years	10.5%-11%	14	20.60	8	12.30	-	-	-	-	-	-	-	-	32.90
			11% - 11.5%	1	1	-	-	-	-	-	-	-	-	-	-	0.63
			11.5%-12%	18	305.20	18	331.90	16	409.15	6	180.00	-	-	-	-	1,226.25
Term loan from non-banking financial companies	Monthly	1-3 years	8.5%-9%	17	52.17	9	29.35	-	-	-	-	-	-	-	-	81.52
			9%-9.5%	11	33.48	-	-	-	-	-	-	-	-	-	-	33.48
			9.5%-10%	23	22.22	14	13.82	2	3.34	-	-	-	-	-	-	39.38
			10% - 10.5%	80	150.61	46	65.93	-	-	-	-	-	-	-	-	216.54
			10.5% - 11%	12	13.19	3	4.21	-	-	-	-	-	-	-	-	17.40
			11% - 11.5%	20	10.23	-	-	-	-	-	-	-	-	-	-	10.23
			11.5% - 12%	3	50.00	-	-	-	-	-	-	-	-	-	-	50.00
		Above 3 years	9% - 9.5%	8	6.06	12	9.09	12	9.09	1.00	0.76	-	-	-	-	25.00
			10% - 10.5%	2	1.82	-	-	-	-	-	-	-	-	-	-	1.82
			11% - 11.5%	2	0.71	-	-	-	-	-	-	-	-	-	-	0.71
	Quarterly	1-3 years	10% - 10.5%	4	8.33	4	8.33	4	8.33	-	-	-	-	-	-	24.99
			11.5% - 12%	4	5.45	3	4.09	-	-	-	-	-	-	-	-	9.54
		Above 3 years	11.5% - 12%	7	6.50	-	-	-	-	-	-	-	-	-	-	6.50
	Half Yearly	1-3 years	10% - 10.5%	2	25.00	-	-	-	-	-	-	-	-	-	-	25.00
External commercial borrowings	Bullet	1-3 years	11%-11.5%	-	-	1	93.44	-	-	-	-	-	-	-	-	93.44
		Above 3 years	10%-10.5%	1	33.80	-	-	-	-	-	-	-	-	-	-	33.80
			10.5%-11%	1	95.00	-	-	-	-	-	-	-	-	-	-	95.00
Sub-debt	Bullet	Above 3 years	14.5%-15%	1	25.00	-	-	-	-	-	-	-	-	-	-	25.00
Grand Total				**1,597.00**	**6,176.95**	**769**	**3,189.82**	**140**	**1,132.67**	**16**	**297.26**	**4.00**	**8.00**	**-**	**-**	**10,804.71**

Note: The above amount pertains to the principal outstanding only.

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16 Other financial liabilities

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Lease liabilities	78.51	85.00	75.34
Others	0.39	2.44	7.60
Total	**78.90**	**87.44**	**82.94**

17 Provisions

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Provision for employee benefits:			
Gratuity	10.56	8.50	7.56
Leave encashment and availment	26.05	22.74	17.97
Total	**36.61**	**31.24**	**25.53**

18 Other non-financial liabilities

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Statutory dues payable (Tax deducted at source, GST, etc)	19.09	13.51	11.37
Total	**19.09**	**13.51**	**11.37**

19 Equity share capital

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Authorised			
Equity shares of ₹ 10 each	160.00	160.00	160.00
16,00,00,000 (March 31, 2022 and March 31, 2021 : 16,00,00,000) Equity shares (refer note: g below)	**160.00**	**160.00**	**160.00**
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Issued, subscibed and fully paid up			
158,906,443 (March 31, 2022 and March 31, 2021: 155,866,346 and 155,582,040) Equity shares of ₹ 10 each fully paid	158.91	155.87	155.58

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	March 31, 2023		March 31, 2022	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
At the beginning of the year	155,866,346	155.87	155,582,040	155.58
Add: Issued during the year				
- On account of Qualified Institutional Placement		-		-
- On account of scheme of merger (refer Note 45) **	2,675,351	2.68	-	-
- Employee Stock Option Plan	364,746	0.36	284,306	0.29
Outstanding at the end of the year	**158,906,443**	**158.91**	**155,866,346**	**155.87**

** The Company alloted 2,675,351 equity shares on dated March 27, 2023 and it was pending for listing as on March 31, 2023.

(b) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Any dividends proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2023		March 31, 2022		March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10 each fully paid						
CreditAccess India BV (Formerly known as "CreditAccess India NV")	115,109,028	72.44%	115,109,028	73.85%	115,109,028	73.99%
Nippon Life India Trustee Limited	5,776,212	3.63%	8,721,856	5.60%	6,105,884	3.92%

(d) Details of Promoters shareholdering

Particulars	No. of Shares	%of total shares	% Change during the year
	March 31, 2023		
1) CreditAccess India BV (Formerly known as "CreditAccess India NV")	115,109,028	72.44%	-1.41%
	March 31, 2022		
	115,109,028	73.85%	-0.13%
	March 31, 2021		
	115,109,028	73.99%	-5.95%

(e) For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company refer Note 38.

(f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	31-Mar-22 (No. of equity shares)	31-Mar-21 (No. of equity shares)	31-Mar-20 (No. of equity shares)	31-Mar-19 (No. of equity shares)	31-Mar-18 (No. of equity shares)
Equity shares alloted to Equity Share holders and Compulsorily Convertible Debentureholders of MV Microfin Private Limited as a purchase consideration for amalgamation of business with the Company	-	-	-	-	4,890,140
Equity shares alloted to CreditAccess India BV (Formerly known as "CreditAccess India NV") in lieu of conversion of compulsorily convertible debentures	-	-	-	-	12,987,012
Total	**-**	**-**	**-**	**-**	**17,877,152**

(g) NCLT has issued order dated on February 07, 2023, approving amalgamation of Madura Micro Finance Limited (the "Transferor Company") with CreditAccess Grameen Limited (the "Transferee Company") effective from April 1, 2020. The Company has filed the Certified True Copy of the Order in the Form INC-28 with the Registrar of Companies ("ROC") Karnataka, on February 15, 2023 and upon approval such Form, the authorised share capital of ₹ 10 Crores of transferor Company shall stand transferred to transferee Company. (refer Note 45)

20 Other equity*

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	535.73	370.52	294.09
Capital reserve	49.95	49.95	49.95
Securities premium	2,478.59	2,268.12	2,263.13
Share options outstanding account	19.41	11.72	8.52
Retained earnings	1,855.10	1,194.73	917.55
Shares to be issued on account of merger (Refer Note 45)	-	205.83	206.38
Effective portion of Cash Flow Hedge	9.25	0.39	-
Fair valuation of loans through other comprehensive income	-	(90.22)	(3.94)
Total	**4,948.03**	**4,011.04**	**3,735.68**

* For detailed movement of reserves refer statement of changes in equity for the year ended March 31, 2023, March 31, 2022.

Nature and purpose of reserve

20.1 Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

20.2 Capital reserve

During the year ended 2018, the Company pursuant to the scheme of amalgamation acquired MV Microfin Private Limited with effect from April 1, 2017, as per the accounting treatment of the scheme of amalgamation approved by the Honourable High Court of Karnataka, the differential amount between the carrying value of investments and net assets acquired from the transferor companies has been accounted as Capital reserve.

20.3 Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)

Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45-IC of Reserve Bank of India Act 1934.

Statutory reserve has been created based on the standalone pre-amalgamation profits for the year ended March 31, 2022 and March 31, 2021 of CreditAccess Grameen Limited and Madura Micro Finance Limited.

20.4 Share option outstanding account

The share option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

20.5 Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, general reserve or any other such other appropriations to specific reserves.

20.6 Shares to be issued (Refer Note 45)

The Company has received order of amalgamation of Madura Micro Finance Limited ("MMFL") with CreditAccess Grameen Limited, appointed date being April 1, 2020. The Scheme has been approved by the Hon'ble National Company Law Tribunal, Chennai Bench vide its order dated October 12, 2022, and the Hon'ble National Company Law Tribunal, Bengaluru Bench, vide its order dated February 07, 2023. The Company has issued shares on March 27, 2023 as per swap ratio decided in scheme of amalgamation to Non controlling shareholders of MMFL.

20.7 Other comprehensive income

(i) Effective portion of Cash Flow Hedge

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss.

(ii) Fair valuation of loans through other comprehensive income (FVTOCI)

The Company has elected to recognize changes in the fair value of loans in other comprehensive income. These changes are accumulated as reserve within equity. The Company transfers amount from this reserve to retained earnings when the relevant loans are derecognized.

20.8

₹ in crore

Movement of other comprehensive income for the year	March 31, 2023	March 31, 2022
Opening balance	(89.83)	(3.94)
(+) Fair value change during the year	32.25	(486.65)
(+) Effective portion of Cash Flow Hedge	9.25	0.39
(-) Impairment allowance transferred to statement of profit and loss	57.58	400.37
Closing balance	**9.25**	**(89.83)**

20.9 The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year and previous years.

21 Interest income

₹ in crore

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total
Interest on loans	556.50	2,720.90	**3,277.40**	1,914.94	618.04	**2,532.98**
Income from securitisation	-	0.06	**0.06**	-	0.56	**0.56**
Interest on deposits with banks and financial institutions	-	31.04	**31.04**	-	33.72	**33.72**
Income from government securities	-	18.62	**18.62**	-	-	**-**
Total	**556.50**	**2,770.62**	**3,327.13**	**1,914.94**	**652.32**	**2,567.26**

22 Fees and commission income

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Service fees for management of assigned portfolio of loans	0.03	0.06
Service and administration charges	1.23	2.44
Distribution Income	18.25	10.72
Total	**19.51**	**13.22**

23 Net gain on fair value changes

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
(A) Net gain on fair value instruments at fair value through profit or loss		
(i) On On trading portfolio (realised)		
- Investments	21.32	17.85
(B) Others		
(i) Gain on derecognition of loans designated at FVTOCI (Net)	(3.18)	69.99
Total	**18.14**	**87.84**

24 Other Income

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Miscellaneous income *	5.64	7.31
Total	**5.64**	**7.31**

* Includes advertisement income, Service and administration charges and other miscellaneous income.

25 Finance costs

₹ in crore

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total
Interest on debt securities	-	135.61	**135.61**	-	163.04	**163.04**
Interest on borrowings other than debt securities	-	1,054.17	**1,054.17**	-	797.46	**797.46**
Interest on subordinated liabilities	-	11.30	**11.30**	-	13.67	**13.67**
On financial liability towards securitisation (re-recognised on balance sheet)	-	0.02	**0.02**	-	0.16	**0.16**
Other interest expense						
-Interest on lease liabilities	-	8.79	**8.79**	-	8.08	**8.08**
-Others	-	2.99	**2.99**	-	1.73	**1.73**
Total Finance costs	**-**	**1,212.88**	**1,212.88**	**-**	**984.14**	**984.14**

26 Impairment on financial instruments

₹ in crore

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total
Group lending loans	57.58	328.24	**385.82**	400.37	171.78	**572.15**
Individual loans	-	15.20	**15.20**	-	24.59	**24.59**
Impairment of Investment in Subsidary	-	(1.49)	**(1.49)**	-	-	**-**
Loss on Investment	-	1.49	**1.49**	-	-	**-**
Impairment of Advance to Subsidiary	-	-	**-**	-	(2.36)	**(2.36)**
Advance to Subsidiary Written off	-	-	**-**	-	2.36	**2.36**
Total	**57.58**	**343.44**	**401.02**	**400.37**	**196.37**	**596.74**

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27 Employee benefit expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Salaries and wages	453.37	388.18
Contribution to provident and other funds	46.24	40.24
Share based payments to employees	10.65	5.45
Staff welfare expenses	4.98	3.75
Total	**515.24**	**437.62**

28 Depreciation and amortization expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
-On property, plant and equipment	13.38	12.41
-On intangible assets	22.87	22.14
-On right of use assets	13.59	12.68
Total	**49.84**	**47.23**

29 Other expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Rental charges payable under operating leases (Refer Note 36)	29.89	23.29
Bank charges	3.24	3.28
Rates and taxes	11.82	9.86
Insurance	5.94	3.59
Repairs and maintenance	19.46	18.40
Electricity	5.43	4.23
Travelling and conveyance	100.20	74.90
Postage and telecommunication	15.04	9.79
Printing and stationery	6.15	6.20
Professional and consultancy charges	23.15	17.20
Remuneration to directors	2.10	1.36
Auditors' remuneration (Refer Note below)	2.73	1.64
Training expenses	12.17	6.86
Corporate Social Responsibility expenses (Refer Note below)	8.40	9.72
NCD Issue expenses	2.99	-
Provision for other assets and written off	0.31	1.63
Miscellaneous expenses **	15.57	8.62
Total	**264.59**	**200.57**

Auditor's remuneration

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
As auditor		
Audit fee (including Limited review)	1.72	1.46
Others	0.19	0.02
In other capacity		
Certification services	0.22	0.15
For taxation matters	0.50	-
Reimbursement of expenses	0.10	0.01
Total	**2.73**	**1.64**

Excludes payment amounting to ₹ 1.03 crore for services in relation to issuance of Public Non-convertible debentures, which has been included in NCD Issue expenses.

Details of CSR expenditure

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
a) Gross amount required to be spent by the Company during the year	8.32	9.69
b) Amount spent during the year (in cash)		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	8.40	6.64
c) Shortfall/ (excess) at the end of the year, *	(0.08)	3.05
d) Total of previous years shortfall	-	-

* Previous year unspent balance of ₹3.05 Crores has been fully spent during the current year.

Note:

1. In Previous year, the Company has deposited the unspent amount in relation to the CSR expenditure in dedicated bank account.

2. Reason for shortfall in previous year, are as below

a) Few of the projects like the Vaccination Drives, Support to physically/mentally challenged children and the self-learning center had commenced in the last quarter of the previous year and the period of the project extended to the next Financial year with committed payments to be made during this Financial year.

b) Two ongoing projects namely Anganawadi Improvement Program and Rural development program had execution challenges due to the covid situations in certain geographies. Hence, even though the institutions were identified, and events planned, the execution got delayed and some of the event dates had extended to this Financial year.

3. Contribution of ₹ 11.45 crore made to CreditAccess India Foundation (Section 8 Company which is subsidary of the Company).

4. The Company has a Memorandum of Understanding with CreditAccess India Foundation for CSR Activities (COVID-19 pandemic support program, Community Development activity like education, health Care, livelihood and other support activity).

5. Gross amount required to be spent was computed based on standalone entities' profit before giving effect of the merger.

** During the previous year, the Company has reversed additional provision carried over and above requirements as per Section 135 of Companies Act, 2013 to the extent of ₹ 4.96 Crore.

30 Income tax

(A)

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Current tax		
(i) Current year	238.64	118.12
(ii) Earlier year	(0.41)	2.16
Deferred tax		
(i) Current year	44.85	8.99
(ii) Earlier year	(3.72)	(1.55)
Total tax charge	**279.36**	**127.72**

(B) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Profit before tax	1,105.39	480.80
At India's statutory income tax rate of 25.17% (2022: 25.17%)	278.23	121.02
Non deductible expenses		
Interest	0.30	0.09
CSR and Donation	2.14	1.19
Employee stock option cost	-	1.37
80JJAA of Income Tax Act, 1961	(0.78)	-
Others (net)	(0.53)	4.05
Income tax expense reported in statement of profit and loss	**279.36**	**127.72**

(C) Movement in deferred tax balances for the year ended March 31, 2023

₹ in crore

Particulars	Net balance April 1, 2022	(Charge)/ credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2023	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Impact of difference between tax depreciation/ amortisation	(5.08)	(0.18)	-	-	(5.26)	-	(5.26)
Remeasurement gain / (loss) on defined benefit plan	6.69	(0.13)	-	-	6.56	6.56	-
Impairment allowance for loans	126.47	(45.77)	-	-	80.70	80.70	-
Expenses incurred on Initial Public Offering	1.45	(1.16)	-	-	0.29	0.29	-
Receivable from assignment of portfolio	(19.80)	(6.49)	-	-	(26.29)	-	(26.29)
Other items	44.75	12.74	(2.98)	(30.34)	24.17	24.17	-
Additions on account of Merger	0.90	(0.14)	-	-	0.76	0.76	-
Net Deferred tax assets / (liabilities)	**155.39**	**(41.13)**	**(2.98)**	**(30.34)**	**80.93**	**112.48**	**(31.55)**

(D) Movement in deferred tax balances for the year ended March 31, 2022

₹ in crore

Particulars	Net balance April 1, 2021	(Charge)/ credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Impact of difference between tax depreciation/ amortisation	(2.50)	(2.58)	-	-	(5.08)	-	(5.08)
Remeasurement gain / (loss) on defined benefit plan	5.41	1.39	(0.11)	-	6.69	6.69	-
Impairment allowance for loans	148.51	(22.04)	-	-	126.47	126.47	-
Expenses incurred on Initial Public Offering	2.91	(1.46)	-	-	1.45	1.45	-
Receivable from assignment of portfolio	(26.55)	6.75	-		(19.80)	-	(19.80)
Other items	5.63	10.88	28.24	-	44.75	44.75	-
Additions on account of Merger	1.29	(0.38)	-	-	0.90	0.90	-
Net Deferred tax assets / (liabilities)	**134.70**	**(7.44)**	**28.13**	**-**	**155.39**	**180.27**	**(24.88)**

(E) The following tables provides the details of income tax assets and income tax liabilities as at:

Current tax assets (net)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Income tax assets	557.83	492.93	526.77
Less: Income tax liabilities	518.27	454.46	488.71
Total	**39.56**	**38.47**	**38.06**

Current tax liabilities (net)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Income tax liabilities	238.48	185.65	76.39
Less: Income tax assets	237.92	184.19	75.40
Total	**0.56**	**1.46**	**0.99**

31 Employee benefits

A. Defined benefit plan

The Company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. Employees who are in continous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The Company have funded gratuity plan and makes contibutions to Gratuity scheme administered by the insurance company through its Gratuity Fund.

B. Defined contribution plan

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the basic salary to fund the benefits. The contributions payable to these plans by the Company are administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.The Company recognised ₹ 30.64 crore (March 31, 2022 : ₹ 26.65) for Provident fund contributions and ₹ 6.99 crore (March 31, 2022 : ₹ 6.09) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss.

31.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability / assets and its components:

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	**26.62**	**21.65**
Current service cost	6.76	6.00
Interest cost	1.52	1.39
Past service cost	-	-
Benefits settled	(2.28)	(1.70)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	0.57	2.46
- Changes in demographic assumptions	(0.34)	(0.02)
- Changes in financial assumptions	(0.80)	(3.16)
Obligation at the end of the year $	**32.05**	**26.62**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	**18.12**	**14.08**
Interest income on plan assets	1.37	1.09
Re-measurement- actuarial gain	(1.17)	(0.01)
Return on plan assets recognised in other comprehensive income	-	-
Contributions	4.86	4.20
Benefits settled	(1.69)	(1.24)
Plan assets at the end of the year, at fair value	**21.49**	**18.12**
Net defined benefit liability	**10.56**	**8.50**

$ Previous year balances also includes un-funded gratuity plan liability.

31.2 Expenses recognised in statement of profit or loss

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Current service cost	6.76	6.00
Interest cost	0.15	0.30
Net gratuity cost	**6.91**	**6.30**

31.3 Re-measurement recognised in other comprehensive income

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	0.57	2.46
- Changes in demographic assumptions	(0.34)	(0.02)
- Changes in financial assumptions	(0.80)	(3.16)
Re-measurement of the net defined benefit asset		
Return on plan assets (greater)/ less than discount rate	1.17	0.01
Total Actuarial (gains) / losses included in OCI	**0.60**	**(0.71)**

31.4 Plan assets

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Funds managed by insurer for Funded Gratuity Plan	100%	100%	100%

31.5 Defined benefit obligation - Actuarial assumptions

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Discount rate	7.36%	5.60% - 6.96%	4.85% - 6.79%
Future salary growth	8.00%	8%-10%	10.00%
Attrition rate	25.41%	23.01% -30.00%	22.85% -30.00%
Normal retirement age	60 years	60 years	60 years
Average term of libailty (in years)	5.98 years	4.00 - 6.57 years	4.00 - 7.79 years

31.6 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

₹ in crore

	March 31, 2023		March 31, 2022		March 31, 2021	
Particulars	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.00)	2.30	(1.44)	1.98	(1.32)	1.86
Future salary growth (1% movement)	1.94	(1.74)	1.72	(1.26)	1.61	(1.16)
Attrition rate (1% movement)	(0.28)	0.31	(0.27)	1.51	(0.16)	1.93
Mortality Rate (- / + 10% of mortality rates)	-	-	-	-	-	-

31.7 Expected contribution to the plan for the next annual reporting period is ₹ 10.53 crore (March 31, 2022 - ₹ 7.55).

The weighted average duration of the defined benefit obligation of Company is 5.98 years (for planned assets) [March 31, 2022- 6.57 years (for planned assets) and 4 years (for unplanned Liability)]. The expected maturity analysis of undiscounted gratuity is as follows:

₹ in crore

Particulars	Less than a year	Between 1-2 years	Between 2-3 years	Between 3-4 years	Between 4-5 years	Between 5-10 years	Beyond 10 years	Total
31 March, 2023								
Gratuity	4.23	3.53	2.88	2.47	2.13	7.00	44.12	66.36
Total	**4.23**	**3.53**	**2.88**	**2.47**	**2.13**	**7.00**	**44.12**	**66.36**
31 March, 2022								
Gratuity	3.62	2.87	2.49	2.05	1.72	5.33	31.49	49.57
Total	**3.62**	**2.87**	**2.49**	**2.05**	**1.72**	**5.33**	**31.49**	**49.57**
31 March, 2021								
Gratuity	2.90	2.17	1.87	1.66	1.36	4.46	29.17	43.59
Total	**2.90**	**2.17**	**1.87**	**1.66**	**1.36**	**4.46**	**29.17**	**43.59**

31.8 Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Demographic risks

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the defined benefit obligations depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward.

Change in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Code on Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

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32 Maturity analysis of assets and liabilities

(A) Maturity analysis of assets and liabilities as at March 31, 2023

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1,341.40	-	**1,341.40**
(b)	Bank balance other than cash and cash equivalents	57.27	37.74	**95.01**
(c)	Loans	11,021.93	8,021.41	**19,043.34**
(d)	Investments	453.98	0.55	**454.53**
(e)	Derivative financial instrument	31.63	-	**31.63**
(f)	Other financial assets	120.99	28.60	**149.59**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	39.56	**39.56**
(b)	Deferred tax assets (net)	-	80.93	**80.93**
(c)	Property, plant and equipment	-	32.06	**32.06**
(d)	Right of use assets	-	64.75	**64.75**
(e)	Goodwill	-	375.68	**375.68**
(f)	Intangible assets	-	126.52	**126.52**
(g)	Intangible assets under development	-	3.94	**3.94**
(h)	Other non-financial assets	18.63	0.49	**19.12**
	Total assets	**13,045.83**	**8,812.23**	**21,858.06**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	0.10	-	**0.10**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	43.95	-	**43.95**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	259.50	0.15	**259.65**
(b)	Borrowings *			
	- Debt securities	646.27	1,026.08	**1,672.35**
	- Borrowings (other than debt securities)	7,313.29	7,248.71	**14,562.00**
	- Subordinated liabilities	0.04	77.87	**77.91**
(c)	Other financial liabilities	11.95	66.95	**78.90**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	0.56	-	**0.56**
(b)	Provisions	18.56	18.05	**36.61**
(c)	Other non-financial liabilities	19.09	-	**19.09**
	Total liabilities	**8,313.31**	**8,437.81**	**16,751.12**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

(B) Maturity analysis of assets and liabilities as at March 31, 2022

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1,580.51	-	**1,580.51**
(b)	Bank balance other than cash and cash equivalents	170.24	10.60	**180.84**
(c)	Loans	8,827.43	5,937.90	**14,765.33**
(d)	Investments	-	0.55	**0.55**
(e)	Other financial assets	98.93	19.55	**118.48**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	38.47	**38.47**
(b)	Deferred tax assets (net)	-	155.39	**155.39**
(c)	Property, plant and equipment	-	31.78	**31.78**
(d)	Right of use assets	0.15	74.61	**74.76**
(e)	Goodwill	-	375.68	**375.68**
(f)	Intangible assets	-	146.65	**146.65**
(g)	Intangible assets under development	-	3.07	**3.07**
(h)	Other non-financial assets	10.01	0.20	**10.21**
	Total assets	**10,687.27**	**6,794.45**	**17,481.72**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Derivative financial instrument	1.66	-	**1.66**
(b)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	34.78	-	**34.78**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	223.90	0.13	**224.03**
(c)	Borrowings *			
	- Debt securities	579.02	839.08	**1,418.10**
	- Borrowings (other than debt securities)	6,539.27	4,885.58	**11,424.85**
	- Subordinated liabilities	-	77.74	**77.74**
(d)	Other financial liabilities	13.98	73.46	**87.44**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	1.46	-	**1.46**
(b)	Provisions	13.05	18.19	**31.24**
(c)	Other non-financial liabilities	13.45	0.06	**13.51**
	Total liabilities	**7,420.57**	**5,894.24**	**13,314.81**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders

(C) Maturity analysis of assets and liabilities as at March 31, 2021

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	2,360.04	-	**2,360.04**
(b)	Bank balance other than cash and cash equivalents	46.17	78.12	**124.29**
(d)	Loans	7,466.68	4,253.80	**11,720.48**
(e)	Investments	-	0.54	**0.54**
(f)	Other financial assets	106.88	25.43	**132.31**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	38.06	**38.06**
(b)	Deferred tax assets (net)	-	134.70	**134.70**
(c)	Property, plant and equipment	-	24.15	**24.15**
(d)	Right of use assets	-	67.50	**67.50**
(e)	Goodwill	-	375.68	**375.68**
(f)	Intangible assets	-	163.54	**163.54**
(g)	Intangible assets under development	-	0.62	**0.62**
(h)	Other non-financial assets	12.07	1.14	**13.21**
	Total assets	**9,991.84**	**5,163.28**	**15,155.12**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	22.05	-	**22.05**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	179.65	-	**179.65**
(b)	Borrowings *			
	- Debt securities	525.63	1,149.32	**1,674.95**
	- Borrowings (other than debt securities)	5,660.80	3,502.88	**9,163.68**
	- Subordinated liabilities	27.79	74.91	**102.70**
(c)	Other financial liabilities	15.99	66.95	**82.94**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	-	0.99	**0.99**
(b)	Provisions	10.04	15.49	**25.53**
(c)	Other non-financial liabilities	11.31	0.06	**11.37**
	Total liabilities	**6,453.26**	**4,810.60**	**11,263.86**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

33 Transfer of financial assets

a) ***Transferred financial assets that are not derecognised in their entirety.***

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Securitisations			
Carrying amount of transferred assets measured at amortised cost	103.56	-	15.89
Carrying amount of associated liabilities (debt securities - measured at amortised cost) (Refer Note 14)	(98.80)	-	(9.15)
Fair value of transferred assets	103.56	-	15.89
Fair value of associated liabilities	(98.80)	-	(9.15)
Net position at amortised cost	**4.76**	**-**	**6.74**

b) ***Transferred financial assets that are derecognised in their entirety.***

The Company has assigned loans (earlier measured at FVTOCI/amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 85%-95% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost (Previous year it was measured at fair value through OCI) on derecognition during the year:

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Direct assignments			
Carrying amount of derecognised financial assets	1,721.56	1,120.30	1,329.36
Gain from derecognition	122.89	75.69	109.82

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety, the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as 'Receivable from assignment of portfolio' with a corresponding profit on derecognition of financial asset.

The Company has not transferred any assets that are derecognised during the year in their entirety where the Company continues to have continuing involvement.

34 Contingent liabilities

a) Contingent liabilities not provided for in respect of the below:

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Performance security provided by the Company pursuant to service provider agreement	-	0.10	0.11
Demand under Employee Provident Fund Act, 1952	0.25	0.25	0.25

(b) **Pertaining to Assessment Year 2017-18 (Financial year 2016-17)**

The Assesing Officer, Income Tax, Bangalore, through an order dated 28th December 2019, has confirmed the demand of ₹2.62 crores (net demand after adjusting of payment made is ₹ 1.16 crore) from the Company. The Company has preferred an appeal before Commissioner of Income Tax against said assement order. The Company is of view that the said demand is not tenable and expects to succeed in its appeal.

(c) In addition, the Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company financial position and result of operations.

35 Capital commitments

Estimated amounts of contracts remaining to be executed on capital account (net of capital advances) and not provided:

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
For purchase / development of computer software	2.22	3.91	0.87

36 Leases

36.1 Company as a leasee

The Company's leased assets mainly comprise office buildings and servers taken on lease. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The term of property and server leases ranges from 1-10 years. The Company has applied short term lease exemption for leasing arrangements where the period of lease is less than 12 months.

36.2 Total lease liabilities are analysed as follows:

₹ in crore

Lease liabilities	March 31, 2023	March 31, 2022	March 31, 2021
Current	11.71	11.29	8.72
Non-current	66.80	73.71	66.62
Total	**78.51**	**85.00**	**75.34**

36.3 Amounts recognised in the statement of profit and loss

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Depreciation charge of right-of-use assets			
Buildings	4.35	4.78	4.43
Servers	9.24	7.90	7.83
	13.59	**12.68**	**12.26**
Expense relating to variable lease payments			
Expense relating to short-term leases (included in other expenses)	29.89	23.28	19.28
Interest on lease liabilities (included in finance costs)	8.79	8.08	6.56

36.4

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Total cash outflow for leases	48.77	41.57	34.21
Total commitments for short-term leases	14.56	10.48	7.77

36.5

The Company had committed to leases which had not commenced. The total future cash outflows for leases that had not yet commenced were as follows:

₹ in crore

Type of asset	March 31, 2023	March 31, 2022	March 31, 2021
Computers	2.26	-	7.59

36.6

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

₹ in crore

Maturity analysis:	March 31, 2023	March 31, 2022	March 31, 2021
Less than 1 year	18.74	19.29	16.08
Between 1 and 2 years	18.55	17.72	15.02
Between 2 and 5 years	52.64	49.89	41.00
More than 5 years	14.37	31.19	37.87
Total	**104.30**	**118.09**	**109.97**

36.7

The following is the movement in lease liabilities during the year.

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Balance as at beginning of the year	**85.00**	**75.34**
Additions in the scheme of Merger	-	-
Additions during the period	4.96	19.94
Finance cost incurred during the period	8.79	8.08
Termination of lease during the period	(0.93)	-
Payment of lease liabilities	(19.31)	(18.36)
Balance as of closing of the year	**78.51**	**85.00**

Note: Refer Note 10(A) for movement in right of use of assets.

37 Related party transactions

Names of the related parties *(as per IndAS – 24)*	
Holding Company	CreditAccess India BV (Formerly known as "CreditAccess India NV")
Subsidary Company	CreditAccess India Foundation
Subsidiary Company (Upto October 30, 2022) #	Madura Micro Education Private Limited ('MMEPL')
Fellow Subsidiary Company	CreditAccess Life Insurance Limited ('CALIL')
Managing Director & CEO (KMP)	Mr. Udaya Kumar Hebbar
Chairman & Lead Independent Director (Chairman from August 11, 2021)	Mr. George Joseph
Chairman & Nominee Director (Upto July 30, 2021), Non-Executive Director in MMFL (upto August 03, 2021) and Non-Executive Director & Vice-Chairman (w.e.f October 21, 2022)	Mr. Paolo Brichetti
Non-Executive Director of MMFL*	Mr. Diwakar B R
Independent Director (w.e.f October 21, 2022)	Ms. Rekha Gopal Warriar
Independent Director (upto November 03, 2020)	Mr. R Prabha
Independent Director (upto September 10, 2022)	Ms. Sucharita Mukherjee
Independent Director (upto June 25, 2020)	Mr. Anal Kumar Jain
Independent Director	Mr. Manoj Kumar
Nominee Director	Mr. Sumit Kumar
Nominee Director	Mr. Massimo Vita
Independent Director (w.e.f. September 16, 2020)	Ms. Lilian Jessie Paul
Key Managerial Personnel (w.e.f. July 01, 2021)	Mr. Ganesh Narayanan, Deputy CEO
Key Managerial Personnel (w.e.f. November 7, 2020)	Mr. Sadananda Balakrishna Kamath, Chief Financial Officer
Key Managerial Personnel	Mr. M J Mahadev Prakash, Company Secretary and Chief Compliance officer
Non-Executive Director of MMFL* (Whole time Director-upto March 31, 2021 and Non-Executive Director - w.e.f April 1, 2021)	Mr. F. S. Mohan Eddy
Independent Director of MMFL*	Mr. N. C. Sarabeswaran
Key Managerial Personnel of MMFL* (w.e.f. Feburay 21, 2021)	Mr. Ganesh Hegde, Company Secretary
Non-Executive Director of MMFL* (Managing Director- up to February 21, 2021 and Non-Executive Director- w.e.f. February 22, 2021)	Ms. Tara Thiagarajan
CEO & CFO-Key Managerial Personnel of MMFL* (CEO-up to February 21, 2021 and CEO & CFO- w.e.f. February 22, 2021)	Mr. M. Narayanan

* Pertaining to Madura Micro Finance Limited ("MMFL") which is merged with Company pursuant to NCLT order Dated February 07, 2023 (Refer Note 45)
# MMEPL does not have any operations or business activity post March 31 , 2021 . This subsidiary company has been struck-off by the Offlce of the Registrar of Companies, Tamil Nadu vide its Public Notice No.ROC/Chn/S.248 (2)/ 3031202215 dated October 31, 2022, as per the application filed by MMEPL.

Related party transactions (Continued)

₹ in crore

Particulars	Key management personnel	
	March 31, 2023	March 31, 2022
Transactions during the year		
Mr. Udaya Kumar Hebbar		
Salary and perquisites	3.43	2.85
Employee Stock Options exercised	1.04	0.59
Mr. Sadananda Balakrishna Kamath		
Salary and perquisites	1.28	1.10
Employee Stock Options exercised	0.21	0.15
Mr. M J Mahadev Prakash		
Salary and perquisites	0.67	0.58
Employee Stock Options exercised	0.04	-
Mr. Ganesh Narayanan		
Salary and perquisites	1.83	1.27
Employee Stock Options exercised	0.79	-
Mr. M Narayanan (Refer footnote Note 1)		
Salary and perquisites	1.40	1.35
Employee Stock Options exercised	-	-
Mr. Ganesh Hegde		
Salary and perquisites	0.11	0.11
Employee Stock Options exercised	-	-

Provisions for gratuity and leave benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above. Salary and perquisites is excluding ESOP benefits expenses.

Note 1: On account of merger (Refer note 45) 15,00,508 and 6,24,362 number of equity shares of the Company have been issued to Ms. Tara Thiagarajan and Mr. M Narayanan on March 27, 2023 against the equity shares held in Madura Micro Finance Limited as per the swap ratio mentioned in scheme of merger.

₹ in crore

Sitting fees	March 31, 2023	March 31, 2022
Mr. Paolo Brichetti	0.04	0.01
Mr. Sumit Kumar	0.13	0.04
Mr. Massimo Vita	0.15	0.06
Ms. Sucharita Mukherjee	0.01	0.05
Mr. George Joseph	0.22	0.18
Mr. Manoj Kumar	0.14	0.14
Ms. Lilian Jessie Paul	0.05	0.06
Mr. N C Sarabeswaran	0.03	0.07
Ms. Rekha Gopal Warriar	0.04	-
Mr. Diwakar B R	0.01	-
Ms. Tara Thiagarajan	0.01	0.03
Mr. F S Mohan Eddy	0.02	0.04

₹ in crore

Commission #	Other related parties	
	March 31, 2023	March 31, 2022
Mr. R Prabha	-	0.01
Mr. Anal Kumar Jain	-	(0.04)
Ms. Lilian Jessie Paul	0.23	0.14
Ms. Sucharita Mukherjee	0.24	0.12
Mr. George Joseph	0.38	0.17
Ms. Rekha Gopal Warriar	0.12	-
Mr. Manoj Kumar	0.30	0.17

on accrual basis.

Related party transactions (Continued)

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Transactions during the year		
Madura Micro Education Private Limited ('MMEPL')		
(i) Written off Equity Investment	1.49	-
(ii) Reversal of Provision of Equity Investment	(1.49)	-
(iii) Written off Advance given	-	2.36
(iv) Reversal of Provision of advances given	-	(2.36)
CreditAccess India Foundation		
(i) Grant paid for CSR expenses and donation	11.51	2.70
(ii) Rent received	0.01	0.01
(iii) Transaction in the nature of reimbursement		
(a) Reimbursement expenses	0.03	0.02

₹ in crore

Sitting fees payable	Other related parties		
	March 31, 2023	March 31, 2022	March 31, 2021
Mr. Paolo Brichetti	-	-	0.02
Mr. Massimo Vita	-	0.01	0.02
Mr. Sumit Kumar	-	-	0.01

₹ in crore

Commission payable	Other related parties		
	March 31, 2023	March 31, 2022	March 31, 2021
Mr. R Prabha	-	-	0.07
Mr. Anal Kumar Jain	-	-	0.06
Ms. Lilian Jessie Paul	0.15	0.08	-
Ms. Sucharita Mukherjee	0.16	0.10	0.06
Mr. George Joseph	0.25	0.12	0.07
Ms. Rekha Gopal Warriar	0.12	-	-
Mr. Manoj Kumar	0.20	0.10	0.03

₹ in crore

	Subsidiary Company		
License and other service charges receivables	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
CreditAccess India Foundation (net)	-	0.02	-
Other balances	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Investment in MMEPL	-	1.49	1.49
Advances give to MMEPL	-	-	2.36

38 Employee stock options

Stock options: The Company has provided share based payments to its employees under the 'CAGL Employees Stock Option Plan – 2011' (upto July 8, 2020 name was 'Grameen Koota Financial Services Private Limited – Employees Stock Option Plan 2011'). The various Tranches I, II, III, IV, V , VI, VII, VIII and IX represent different grants made under the plan. During year ended March 31, 2023, the following stock option grants were in operation:

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX
Date of grant	Apr 1, 2012	Oct 1, 2013	Jun 1, 2014	Jul 1, 2016	Jan 1, 2017	Jan 1,2018	Jan 1,2021	Jan 1,2022	Jan 1,2023
Date of Board / Compensation Committee approval	Oct 15, 2011	Aug 22, 2012	Jul 30, 2014	Jun 29, 2016	May 17, 2017	Jan 24, 2018	Jan 29, 2021	Mar 23, 2022	Mar 23, 2023
Number of Options granted	716,676	631,339	443,000	431,000	521,000	971,000	375,900	1,029,300	768,600
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Graded vesting period:									
Day following the expiry of 12 months from grant	25%	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 24 months from grant	25%	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 36 months from grant	25%	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 48 months from grant	25%	25%	25%	25%	25%	25%	25%	25%	25%
Exercise period	48 months from date of vesting						36 months from the date of vesting		
Vesting conditions	Employee to be in service at the time of vesting								
Weighted average remaining contractual life (years)									
-I	-	-	-	-	-	-	1.76	2.76	3.76
-II	-	-	-	-	-	0.75	2.76	3.76	4.76
-III	-	-	-	0.25	0.76	1.76	3.76	4.76	5.76
-IV	-	-	-	1.25	1.76	2.76	4.76	5.76	6.76
Weighted average exercise price per option (₹)	27.00	27.00	39.86	63.90	84.47	120.87	786.91	595.68	902.60
Weighted average fair value of options (₹)	-	18.73	38.46	75.78	61.95	86.27	224.32	167.40	265.13

Employee stock options (Continued)

Additional disclosures for Tranche IX - granted during the current year and Tranche VIII - in previous year:

Particulars	Tranche IX	Tranche VIII	Tranche VII
Share price on the date of Grant (in ₹)	915.30	597.30	768.85
Expected volatility (%)			
I	45.60%	44.44%	58.89%
II	47.21%	43.38%	52.16%
III	45.03%	51.03%	49.37%
IV	44.79%	49.42%	49.82%
Risk free interest rate (%)			
I	7.13%	5.10%	4.34%
II	7.29%	5.65%	4.99%
III	7.40%	6.12%	5.62%
IV	7.44%	6.46%	6.03%
Fair value per option (in ₹)			
I	198.44	116.67	184.06
II	253.55	144.49	207.75
III	286.55	193.85	235.3
IV	321.99	214.58	270.19

Reconciliation of options:

Particulars	March 31, 2023	March 31, 2022
Tranche I		
Options outstanding at the beginning of the year	-	-
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-
Tranche II		
Options outstanding at the beginning of the year	-	4,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	1,500
Expired during the year	-	2,500
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-
Tranche III		
Options outstanding at the beginning of the year	4,500	7,500
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	3,000	1,500
Expired during the year	1,500	1,500
Outstanding at the end of the year	-	4,500
Exercisable at the end of the year	-	4,500

Employee stock options (Continued)

Reconciliation of options: (Continued)

Particulars	March 31, 2023	March 31, 2022
Tranche IV		
Options outstanding at the beginning of the year	156,750	183,250
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	99,500	26,500
Expired during the year	-	-
Outstanding at the end of the year	57,250	156,750
Exercisable at the end of the year	57,250	156,750
Tranche V		
Options outstanding at the beginning of the year	215,250	313,950
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	78,350	98,700
Expired during the year	5,000	-
Outstanding at the end of the year	131,900	215,250
Exercisable at the end of the year	131,900	215,250
Tranche VI		
Options outstanding at the beginning of the year	354,261	520,343
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	162,006	154,256
Expired during the year	9,646	11,826
Outstanding at the end of the year	182,609	354,261
Exercisable at the end of the year	182,609	354,261
Tranche VII		
Options outstanding at the beginning of the year	332,125	375,900
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	8,100	1,850
Expired during the year	17,950	41,925
Outstanding at the end of the year	306,075	332,125
Exercisable at the end of the year	149,225	82,150
Tranche VIII		
Options outstanding at the beginning of the year	1,029,300	-
Granted during the year	-	1,029,300
Forfeited during the year	-	-
Exercised during the year	13,790	-
Expired during the year	37,700	-
Outstanding at the end of the year	977,810	1,029,300
Exercisable at the end of the year	236,210	-
Tranche IX		
Options outstanding at the beginning of the year	-	-
Granted during the year	768,600	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	768,600	-
Exercisable at the end of the year	-	-

39 Revenue from contracts with customers

₹ in crore

	Particulars	For the year ended	
		March 31, 2023	March 31, 2022
(A)	**Type of services**		
	Service fees for management of assigned portfolio of loans	0.03	0.06
	Service and administration charges	1.23	2.44
	Distribution Income	18.25	10.72
	Advertisement display income	3.07	4.72
	Total	**22.58**	**17.94**

(B) Geographical markets

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
India	22.58	17.94
Outside India	-	-
Total	**22.58**	**17.94**

(C) Timing of revenue recognition

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Services transferred at a point in time	22.58	17.94
Services transferred over time	-	-
Total	**22.58**	**17.94**

(D) Receivables

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Distribution income	8.13	4.02

40 Financial instruments – fair values

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

₹ in crore

Financial assets (assets measured at fair value)	March 31, 2023			March 31, 2022			March 31, 2021		
	Fair value			Fair value			Fair value		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Loans (measured at FVOCI)	-	-	-	-	-	11,246.06	-	-	8,893.33
Investments	-	-	0.54	-	-	0.54	-	-	0.54
Derivative financial instruments	-	31.63	-	-	-	-	-	-	-
Total	**-**	**31.63**	**0.54**	**-**	**-**	**11,246.60**	**-**	**-**	**8,893.87**
Financial Liabilities									
Derivative financial instruments	-	-	-	-	1.66	-	-	-	-
Total	**-**	**-**	**-**	**-**	**1.66**	**-**	**-**	**-**	**-**

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Fair values of Loans designated under FVOCI have been measured under level 3 at fair value based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The Significant Unobservable Input is the Discount rate, determined using the cost of lending of the Company.

₹ in crore

Fair value of financial assets and liabilities measured at amortised cost	March 31, 2023				March 31, 2022				March 31, 2021			
	Amortised cost	Fair value			Amor-tised cost	Fair value			Amortised cost	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Loans	19,043.34	-	-	18,952.66	3,519.27	-	-	3,685.49	2,827.15	-	-	2,870.87
Investment (G-sec)	453.98	-	-	431.18	-	-	-	-	-	-	-	-
Total	**19,497.32**	**-**	**-**	**19,383.84**	**3,519.27**	**-**	**-**	**3,685.49**	**2,827.15**	**-**	**-**	**2,870.87**
Debt securities	1,672.35	-	-	1,694.06	1,418.10	-	-	1,437.35	1,674.95	-	-	1,710.68
Borrowings (other than debt securities)	14,562.00	-	-	14,617.50	11,424.85	-	-	11,489.41	9,163.68	-	-	9,229.93
Subordinated liabilities	77.91	-	-	83.11	77.74	-	-	84.82	102.70	-	-	113.61
Lease liabilities	78.51	-	-	79.22	85.00	-	-	89.12	75.34	-	-	75.72
Total	**16,390.77**	**-**	**-**	**16,473.89**	**13,005.69**	**-**	**-**	**13,100.70**	**11,016.67**	**-**	**-**	**11,129.94**

Note:

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets and payables are considered to be the same as their fair values, due to their short-term nature.

There were no transfers between Level 3 and Level 1 / Level 2 during the current year.

Fair values of Loans measured at amortised cost have been measured based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The significant unobservable input is the discount rate, determined using the cost of lending of the Company.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial Statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Loans (measured at amortised cost)

Fair values of Loans measured at amortised cost have been measured based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The significant unobservable input is the discount rate, determined using the cost of lending of the Company.

Financial liabilities measured at amortised cost

The fair value of fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rate being charged for new borrowings. The fair value of floating rate borrowing is deemed to equal its carrying value.

41 Risk Management

41.1 Introduction and risk profile

CreditAccess Grameen Limited is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Company predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, children's education, sanitation and personal emergency loans. With a view to diversifying the product profile, the company has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The major risks for the company are credit, operational, market, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

41.1.a Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.The Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Company. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Board has a Risk Management committee which is responsible for monitoring the overall risk process within the Company and reports to the Board of Directors.

The Risk Management guidelines will be implemented through the established organization structure of Risk Department. The overall monitoring of the Risks is done by the Chief Risk Officer (CRO) with the support from all the department heads of the Company. The Board reviews the status and progress of the risk and risk management system, on a quarterly basis through the Audit Committee and Risk Management Committee. The individual departments are responsible for ensuring implementation of the risk management framework and policies, systems and methodologies as approved by the Board. Assignment of responsibilities in relation to risk management is prerogative of the Heads of Departments, in coordination with CRO. While each department focuses on its specific area of activity, the Risk Management Unit operates in coordination with all other departments, utilising all significant information sourced to ensure effective management of risks in accordance with the guidelines approved by the Board. The unit works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

Heads of Departments is accountable to a Management Level Risk Committee (MLRC) comprising of MD&CEO, CFO, CAO, Deputy CEO & CBO, CTO and CRO. The departmental heads will report for the implementation of above mentioned guideline within their respective areas of responsibility. The department heads are also accountable to the MLRC for identification, assessment, aggregation, reporting and monitoring of the risk related to their respective domain.

The Company's policy is that risk management processes throughout the Company are audited by the Internal Audit function, which examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Audit Committee.

41.1.b Risk mitigation and risk culture

Risk assessments are conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Company. Procedures are established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Company formulates its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation is planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss.

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

41.1.c Risk measurement and reporting systems

The heads of all the departments in association with risk management department are responsible for coordinating the systems for identifying risks within their own department or business activity through RCSA exercise to be conducted at regular intervals.

Based on a cost / benefit assessment of a risk, as is undertaken, some risks may be judged as having to be accepted because it is believed mitigation is not possible or warranted. As the risk exposure of any business may undergo change from time to time due to continuously changing environment, the updation of the Risk Register will be done on a regular basis.

All the strategies with respect to managing these major risks shall be monitored by the CRO and MLRC. The Management Level Risk Committee meetings are held as necessary or once a month. The Management Level Risk Committee would monitor the management of major risks specifically and other risks of the Company in general. The Committee takes an integrated view of the risks facing the entity and monitor implementation of the directives received from Risk Management Committee and actionable items drawn from the risk management framework.

Accordingly, the Management Level Risk Committee reviews the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of Key Risk Threshold breaches (KRI's), consequent actions taken and review of operational loss events, if any.
- Review of process compliances across organisation.
- Review of HR management, training and employee attrition.
- Review of new initiatives and product/policy/process changes.
- Discuss and review performance of IT systems.
- Review, where necessary, policies that have a bearing on the operational & credit risk management and recommend amendments.
- Discuss and recommend suitable controls/mitigations for managing operational & credit risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/ mitigating the same.

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41.1.d Risk Management Strategies

Excessive risk concentrations

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

The following management strategies and policies are adopted by the Company to manage the various key risks.

Political Risk mitigation measures:

- Low cost operations and low pricing for customers.
- Customer centric approach, high customer retention.
- Rural focus.
- Systematic customer awareness activities.
- High social focused activities.
- Adherence to client protection guidelines.
- Robust grievance redressal mechanism.
- Adherence to regulatory guidelines in letter and spirit.

Concentration risk mitigation measures:

- District centric approach.
- District exposure cap.
- Restriction on growth in urban locations.
- Maximum disbursement cap per loan account.
- Maximum loan exposure cap per customer.
- Diversified funding resources.

Operational & HR Risk mitigation measures:

- Stringent customer enrolment process.
- Multiple products.
- Proper recruitment policy and appraisal system.
- Adequately trained field force.
- Weekly & fortnightly collections – higher customer touch, lower amount instalments.
- Multilevel monitoring framework.
- Strong, Independent and fully automated Internal Audit function.
- Strong IT system with access to real time client and loan data.

Liquidity risk mitigation measures:

- Diversified funding resources.
- Asset liability management.
- Effective fund management.
- Maximum cash holding cap.

Expansion risk mitigation measures:

- Contiguous growth.
- District centric approach.
- Rural focus.
- Branch selection based on census data & credit bureau data.
- Three level survey of the location selected.

Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument, whether a customer or otherwise, fails to meet its contractual obligations towards the Company. Credit risk is the core business risk of the Company. The Company therefore has high appetite for this risk but low tolerance and the governance structures including the internal control systems are particularly designed to manage and mitigate this risk. The Company is mainly exposed to credit risk from loans to customers (including loans transferred to SPVs under securitization agreements, excluding loans sold under assignment presented as off-balance sheet assets).

The credit risk may arise due to, over borrowing by customers or over lending by other financial institutions competitors, gaps in joint-liability collateral and repayment issues due to external factors such as political, community influence, regulatory changes and natural disasters (storm, earthquakes, fires, floods) and intentional default by customers.

To address credit risk, the Company has stringent credit policies for customer selection. To ensure the credit worthiness of the customers, stringent underwriting policies such as credit investigation, both in-house and field credit verification, is in place. In addition, the compnay follows a systematic methodology in the selection of new geographies where to open branches considering factors such as the portfolio at risk and over indebtedness of the proposed area/region, potential for micro-lending and socio-economic risk evaluation (e.g., the risk of local riots or natural disasters). Loan sanction and rejections are carried out at the head office. A credit bureau rejections analysis is also regularly carried out in Company. Credit risk is being managed by continuously monitoring the borrower's performance if borrowers are paying on time based on their amortization dues. The Company ensures stringent monitoring and quality operations through both field supervision (branch/area/region staff supervision, quality control team supervision) and management review. Management at each Company's head office closely monitors credit risk through system generated reports (e.g., PAR status and PAR movement, portfolio concentration analysis, vintage analysis, flow-rate analysis) and Key Risk Indicators (KRIs) which include proactive actionable thresholds limits (acceptable, watch and breach) developed by CRO, revised at the the MLRC and at the Risk Committee at the Board level.

Some of the main strategies to mitigate credit risk are:

1. Maintain stringent customer enrolment process,
2. Undertake systematic customer awareness activities/ programs,
3. Reduce geographical concentration of portfolio,
4. Maximum loan exposure to member as determined from time to time,
5. Modify product characteristics if needed (e.g., longer maturity for group clients in case the loan is above a certain threshold),
6. Carry out due diligence of new employees and adequate training at induction,
7. Decrease field staff turnover,
8. Supporting technologies: credit bureau checks, GPS tagging and KYC checks.

The exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the country in which the customers are located, as these factors may have an influence on the credit risk.

41.2 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

41.2.a Definition of default, significant increase in credit risk and stage assessment

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1: includes loans for which the credit risk at the reporting date is in line with the credit risk at initial recognition (i.e. disbursement date).

Stage 2: includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk i.e. SICR).

Stage 3: includes default loans. A loan is considered default at the earlier of (i) the Company considers that the obligor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing collateral (if held); or (ii) the obligor is past due more than 90 days on any material credit obligation to the Company.

Further, the RBI on March 27, 2020, April 17, 2020 and May 23, 2020, announced 'COVID-19 Regulatory Package' on asset classification and provisioning. In terms of these RBI guidelines, the Company granted a moratorium on the repayment of all Installments and/or Interest, as applicable, due between March 1, 2020 and August 31, 2020 to all eligible borrowers. In respect of such accounts that were granted moratorium, the moratorium period has been excluded from determining overdue days.

The accounts which were restructured under the resolution Framework for Covid-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) were initially classified under Stage-2.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument.

(i) Staging classification of Joint Liability Group (JLG) loans of Company

Unlike banks which have more of monthly repayments, the Company offers products with primarily weekly/ biweekly repayment frequency, whereby 15 and above Days past due ('DPD') means minimum 2 missed instalments from the borrower, and accordingly, the Company has identified the following stage classification to be the most appropriate for such products :

Stage 1: 0 to 15 DPD.

Stage 2: 16 to 60 DPD (SICR).

Stage 3: above 60 DPD (Default).

(ii) Self Help groups (SHG)

The Company has identified the following stage classification to be the most appropriate for its loans as these loans are mainly on monthly repayment basis:

Stage 1: 0 to 30 DPD.

Stage 2: 31 to 60 DPD (SICR).

Stage 3: Above 60 DPD (Default).

(iii) Staging classification of Individual Loans of the Company

For monthly repayment model, the Company has identified the following stage classification to be the most appropriate for these loans :

Stage 1: 0 to 30 DPD.

Stage 2: 31 to 90 DPD (SICR).

Stage 3: Above 90 DPD (Default).

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41.2.b Probability of Default ('PD')

(i) Group lending (Including SHG)

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each loan account separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of loan outstanding in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of loan outstanding in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% in line with accounting standard

(ii) Individual Loans

Individual loans is a relatively new portfolio that was started in November 2016. Performance history of matured vintage loan is not available in adequate number to build PD or LGD model. The ECL estimation for Individual loans portfolio is carried out using a method which is based on management judgement.

41.2.c Exposure at default (EAD)

Exposure at default (EAD) is the sum of outstanding principal and the interest amount accrued but not received on each loan as at reporting date.

41.2 .d Loss given default (LGD)

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.

(i) Group lending loans (Including SHG)

LGD is computed as below:

The Company determines its expectation of lifetime loss by estimating recoveries towards its loan through analysis of historical information. The Company determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. LGD is the difference between the exposure at default (EAD) and discounted recovery amount ; this is expressed as percentage of EAD.

(ii) Individual loans

Individual loans is a relatively new portfolio that was started in November 2016. Performance history of matured vintage loan is not available in adequate number to build PD or LGD model. The ECL estimation for individual loans portfolio is carried out using a methodology which is based on management judgement.

41.2 .e Grouping financial assets measured on a collective basis

The Company believes that the Joint Group Lending loans (JLG) have shared risk characteristics (i.e. homogeneous) while SHG loans and Individual loans (IL) have risk characteristics different from JLG loans. Therefore, JLG, SHG and IL are treated as three separate groups for the purpose of determining impairment allowance.

41.2 .f The Company's Loan book consists of a large number of customers spread over diverse geographical area, hence the Company is not exposed to concentration risk with respect to any particular customer.

41.2 .g Analysis of inputs to the ECL model under multiple economic scenarios

ECL estimates are subject to adjustment based on the output of macroeconomic model which incorporates forward looking assessment of the economic environment under which the company operates in the form of Management overlay.

41.3 Capital

The Company actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

Capital management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

  The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

Planning

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks– which include credit, operational, liquidity and interest rate.

The Company monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its Assets Liability Management Committee (ALCO).

The Company endeavours to maintain its CRAR higher than the mandated regulatory norm of 15%. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

41.4 Liquidity risk and funding management

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Company may face an asset-liability mismatch caused by a difference in the maturity profile of its assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are Liquidity Risk mitigation measures put in place which helps in maintaining the following:

Diversified funding resources:

The Company's treasury department secures funds from multiple sources, including banks, financial institutions and capital markets and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Company continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of the loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

Asset Liability Management (ALM) can be termed as a risk management technique designed to earn an adequate return while maintaining a comfortable surplus of assets over liabilities. ALM, among other functions, is also concerned with risk management and provides a comprehensive as well as dynamic framework for measuring, monitoring and managing liquidity and interest rate risks. ALM is an integral part of the financial management process of the Company. It is concerned with strategic balance sheet management, involving risks caused by changes in the interest rates and the liquidity position of CAGL. It involves assessment of various types of risks and altering the asset-liability portfolio in a dynamic way in order to manage risks.

ALM committee constitutes of Board of Directors who would review the tolerance limits for liquidity/ interest rate risks and would recommend to Board of Directors for its approval from time to time. As per the directions of the Board, the ALM statements would be reported to the ALM committee on quarterly basis for necessary guidance.

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The scope of ALM function can be described as follows:

i. Funding and Capital Management,

ii. Liquidity risk management,

iii. Interest Rate risk management,

iv. Forecasting and analyzing 'What if scenario' and preparation of contingency plans.

Capital guidelines ensure the maintenance and independent management of prudent capital levels for CAGL to preserve the safety and soundness of the Company, to support desired balance sheet growth and the realization of new business; and to provide a cushion against unexpected losses.

Liquidity assessment as on March 31, 2023

₹ in crore

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*									
Debt securities	611.49	633.88	704.10	2,303.14	3,945.00	7,199.74	686.31	-	**16,083.66**
Borrowings (other than debt securities)	135.06	79.47	61.56	221.04	264.46	905.73	289.82	-	**1,957.14**
Subordinated liabilities	6.42	6.86	8.18	24.26	53.96	97.25	12.94	-	**209.87**
Total	**752.97**	**720.21**	**773.84**	**2,548.44**	**4,263.42**	**8,202.72**	**989.07**	**-**	**18,250.67**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

Liquidity assessment as on March 31, 2022

₹ in crore

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*									
Debt securities	145.26	39.04	88.52	166.71	213.09	929.32	-	-	**1,581.94**
Borrowings (other than debt securities)	609.87	575.76	597.91	2,168.79	3,285.20	5,082.17	171.98	-	**12,491.67**
Subordinated liabilities	1.66	1.72	2.54	5.99	19.45	105.16	69.00	166.98	**372.50**
Total	**756.79**	**616.52**	**688.98**	**2,341.49**	**3,517.75**	**6,116.65**	**240.98**	**166.98**	**14,446.11**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

41.5 Market Risk

41.5.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non–trading portfolios and manages each of those portfolios separately.

41.5.2 Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the Company's financial condition. The immediate impact of changes in interest rates is on earnings (i.e. reported profits) by changing its Net Interest Margin (NIM). The risk from the earnings perspective can be measured as changes in Net Interest Margin (NIM). In line with RBI guidelines, the traditional Gap analysis is considered as a suitable method to measure the Interest Rate Risk for the Company.

In case of CAGL it may be noted that portfolio loans are not rate sensitive as there is no re-pricing of existing loans carried out. Only some of the liabilities in the form of borrowings are rate sensitive and considering the size of our business the quantum of impact of change of interest rate of borrowings on liquidity is not significant and can be managed with appropriate treasury action.

The following table demonstrates the sensitivity to a reasonably possible charge in interest rates (all other variables being constant) of the Company's profit and loss statement.

₹ in crore

Particulars	Basis points	Effect on profit / loss and equity for the year 2022-23	Effect on profit / loss and equity for the year 2021-22
Borrowings			
Increase in basis points	+ 25	(19.96)	(16.48)
Decrease in basis points	- 25	19.96	16.48

41.5.3 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract.

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
	USD	USD	USD
Liability – External Commercial Borrowings	195,000,000	15,000,000	-
Assets – Cross Currency Interest rate Swap Contract	195,000,000	15,000,000	-

41.5.4 Hedging Policy

The Company's Hedging Policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationship where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and qualitative assessment of effectiveness is performed.

In respect of Interest rate swaps, there is an economic relationship between the hedged item and the hedging instrument as the terms of the Interest Rate swap contract match that of the foreign currency borrowing (notional amount, interest repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap are identical to the hedged risk components.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the '(Gain) / Loss in Fair Value of Derivatives' line item.

Impact of hedge on the balance sheet

₹ in crore

Particulars	Year	Notional amount	Carrying amount of hedging instrument assets	Carrying amount of hedging instrument Liability
INR USD CCIRS	March 31, 2021	-	-	-
INR USD CCIRS	March 31, 2022	111.75	-	1.66
INR USD CCIRS	March 31, 2023	1,575.32	31.63	-

42 Changes in liabilities arising from financing activities

₹ in crore

Particulars	As at March 31,2022	Cash flows (Net)	Changes in fair value	Exchange difference	Others	As at March 31, 2023
Debt securities	1,418.10	256.34	-	-	(2.09)	1,672.35
Borrowings (other than debt securities)	11,424.85	3,123.33	-	-	13.81	14,562.00
Subordinated liabilities	77.74	(0.44)	-	-	0.61	77.91
Lease liabilities	85.00	(18.89)	-	-	12.40	78.51
Total liabilities from financing activities	**13,005.69**	**3,360.34**	**-**	**-**	**24.73**	**16,390.77**

₹ in crore

Particulars	As at March 31,2021	Cash flows (Net)	Changes in fair value	Exchange difference	Others	As at March 31, 2022
Debt securities	1,674.95	(257.19)	-	-	0.34	1,418.10
Borrowings (other than debt securities)	9,163.68	2,264.41	-	-	(3.24)	11,424.85
Subordinated liabilities	102.70	(25.00)	-	-	0.04	77.74
Lease liabilities	75.34	(18.36)	-	-	28.02	85.00
Total liabilities from financing activities	**11,016.67**	**1,963.86**	**-**	**-**	**25.16**	**13,005.69**

43 Disclosures pursuant to the Master Direction- Non-Banking Financial Company-Systematically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time ('the Master Directions') issued by the RBI and Disclosures in Financial Statements- Notes to Accounts of NBFCs as per scale based regulation (RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-2

Comparatives are based on standalone financial statements of the year ended March 31, 2022 unless specified otherwise and are not comparable to current year number (Refer Note 45).

a. Capital to risk assets ratio ('CRAR')

₹ in crore

Particulars	March 31, 2023	March 31, 2022
CRAR-Tier I Capital (%)	22.69%	25.87%
CRAR-Tier II Capital (%)	0.89%	0.67%
Amount of subordinated debt raised as Tier II capital *	77.91	-
Amount raised by issue of perpetual debt instruments	-	-

* outstanding as at March 31, 2023

b. Investments

₹ in crore

Particulars	March 31, 2023 $	March 31, 2022 #
1. Value of Investments		
(i) Gross value of investments		
(a) in India	454.53	663.49
(b) outside India	-	-
(ii) Provisions for depreciation		
(a) in India	-	-
(b) outside India	-	-
(iii) Net value of investments		
(a) in India	454.53	663.49
(b) outside India	-	-
2. Movement of provision held towards depreciation		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less: Write-off / write-back of excess provision	-	-
(iv) Closing balance	-	-

pertains to investment in Madura Micro Finance Limited (the "erstwhile Subsidiary") which is merged with Company during the current year.

$ Includes Investment in government securities.

c. Derivatives

(I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

₹ in crore

Particulars	March 31, 2023	March 31, 2022
(i) The notional principal of swap agreements	1575.32	111.75
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	31.63	(1.66)

(II) Exchange Traded Interest Rate (IR) Derivatives:

The Company has not traded in Interest Rate Derivative during the financial year ended March 31,2023 (Previous year: NIL).

(III) Disclosures on Risk Exposure in Derivatives

The Company has a Treasury Risk Management Policy approved by the Assets Liability Committee and the Board. This policy provides the framework for managing various risks including interest rate risk and currency risk. The policy provides for use of derivative instruments in managing the risks.

The Company has sourced External Commercial Borrowing in foreign currency. The same has been hedged as required by RBI.

Qualitative Disclosure for March 31, 2023

₹ in crore

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional principal amount) for Hedging	1,575.32	NIL
(ii) Market to Market position	-	-
(a) Asset (+)	37.45	-
(b) Liability (-)	(5.82)	-
(iii) Credit exposure	1,575.32	-
(iv) Unhedged exposure	NIL	-

Qualitative Disclosure for March 31, 2022

₹ in crore

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional principal amount) for Hedging	111.75	NIL
(ii) Market to Market position		
(a) Asset (+)	6.50	-
(b) Liability (-)	(8.16)	-
(iii) Credit exposure	111.75	-
(iv) Unhedged exposure	NIL	-

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d. Disclosure related to securitization

₹ in crore

Particulars	March 31, 2023	March 31, 2022
No of SPVs sponsored by the NBFC for securitization transactions	1	-
Amount of securitized assets as per books of SPV sponsored by NBFC	103.56	-
Amount of exposures retained by NBFC to comply with MRR as on the date of balance sheet	-	-
a. Off-balance sheet exposure		
· First loss	-	-
· Others	-	-
b. On-balance sheet exposure		
· First loss – cash collateral	5.49	-
· Others	10.36	-
Amount of exposures other than MRR		
a. Off-balance sheet exposure		
i. Exposure to own securitizations		
· First loss	-	-
· Loss	-	-
ii. Exposure to third party transactions		
· First loss	-	-
· Others	-	-
b. On-balance sheet exposure		
i. Exposure to own securitizations		
· Others	-	-
ii. Exposure to third party transactions		
· First loss	-	-
· Others	-	-

e. Details of financial assets sold to securitization / reconstruction company for asset reconstruction:

Particulars	March 31, 2023	March 31, 2022
Number of loans assigned	1	-
Aggregate value (net of provisions) of accounts sold to SC / RC	109.75	-
Aggregate consideration	98.77	-
Aggregate gain over net book value #	-	-

this is not a transfer of assets as per Ind-AS, hence there is no upfront gain from securitization transaction.

f. Details of assignment transactions:

The Company has undertaken 9 assignment transactions during the current year (March 31, 2022: 5 transactions).

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Number of loans assigned	559,186	374,239
Aggregate value (net of provisions) of accounts sold	1,721.56	1,120.30
Aggregate consideration *	1,721.56	1,120.30
Aggregate gain over net book value	119.06	75.69

* this represents principal amount outstanding as at the date of transaction adjusted for any specific provisions.

g. Details of non-performing financial asset purchased / sold:

The Company has not purchased / sold any non-performing financial assets in the current and previous year.

h. Asset liability management:

Maturity pattern of assets and liabilities as on March 31, 2023:

₹ in crore

Particulars	1 to 7 days	8 to 14 days	Over 14 days to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Borrowings	70.12	78.90	538.24	612.21	670.39	2,236.35	3,753.40	7,447.28	905.37	-	**16,312.26**
-Other than foreign currency liability	70.12	78.90	538.24	612.21	667.53	2,236.35	3,753.40	7,358.06	871.57	-	**16,186.38**
- Foreign currency liability	-	-	-	-	2.86	-	-	89.22	33.80	-	**125.88**
Advances	208.10	207.64	476.64	1,025.69	1,051.20	2,858.26	5,194.40	7,932.29	73.49	15.63	**19,043.34**
Investments	-	-	-	-	-	98.27	355.71	-	-	0.55	**454.53**

Note:
1. All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.
2. For the purpose of above disclosure, Advances include aggregate outstanding balance of Loans, Other Financial Assets and Other Non-Financial Assets.

Maturity pattern of assets and liabilities as on March 31, 2022:

₹ in crore

Particulars	1 to 7 days	8 to 14 days	Over 14 days to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Borrowings	36.27	116.98	364.12	387.87	482.07	1,742.75	2,526.72	4,680.17	148.11	-	**10,485.06**
-Other than foreign currency liability	36.27	116.98	364.12	387.87	482.07	1,742.75	2,523.35	4,635.86	79.72	-	**10,368.98**
- Foreign currency liability	-	-	-	-	-	-	3.37	44.32	68.40	-	**116.08**
Advances #	151.17	142.11	329.22	662.30	749.82	1,898.44	3,325.89	4,854.42	59.80	149.82	**12,322.98**
Investments	-	-	-	-	-	-	-	-	-	663.49	**663.49**

Note:
1. All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.
2. For the purpose of above disclosure, Advances include aggregate outstanding balance of Loans, Other Financial Assets and Other Non-Financial Assets.

\# Includes subordinated debt given to MMFL of ₹ 149.58 crore with maturity period over 5 years.

i. Details of Financing of Parent Company Products

The Company was not involved in the financing of Parent Company products.

j. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the year.

k. Unsecured Advances

The Company has not given any Loans and advances against intangible securities during the year.

l. 'Registration obtained from other financial regulators:

Regulator - Insurance Regulator and Development Authority	Registration No.	Validity
Corporate Agents for : - HDFC Life Insurance Company Limited - ICICI Prudential Life Insurance Company Limited - Kotak Mahindra Life Insurance Company Limited - Shriram Life Insurance Company Limited - Kotak General Insurance Company Ltd - ICICI Lombard General Insurance Company	CA0642	March 15, 2022 to March 14, 2025

m. Disclosure of penalties imposed by RBI and other regulators

(i) March 31, 2023

Applicable Regulation	Penalty Levied by	Reason	Date of Notice	Date of Payment	Fine Levied #
Regulation 57(4) of SEBI LODR, 2015	BSE	Non- submission of details of interest payment towards- INE741K07298	29-Sep-22	30-Sep-22	1,180
Regulation 18 of the SEBI (LODR) Regulations, 2015	BSE & NSE	Composition of the Audit Committee was not in accordance with the Regulation	21-Feb-23	24-Feb-23	339,840

\#Penalty amount is including taxes

(ii) March 31, 2022

Applicable Regulation	Penalty Levied by	Reason	Date of Notice	Date of Payment	Fine Levied #
Regulation 54 of SEBI LODR, 2015	BSE	Delayed submission of Security Cover details along with the financial result.	10-Dec-21	23-Jun-22	24,780

\#Penalty amount is including taxes.

n. Ratings assigned by credit rating agencies and migration of ratings:

Particulars	Name of rating agency	Date of rating	Rating / Previous year rating	Borrowing limit / conditions imposed by rating agency (₹ in crores)	Valid up to
Long-term debt	CRISIL	23-Feb-23	CRISIL A+ Positive /CRISIL A+ Stable	2,000.00	23-Feb-24
Non-convertible debentures	CRISIL	23-Feb-23	CRISIL A+ Positive /CRISIL A+ Stable	25.00	23-Feb-24
Organization grading	CRISIL	16-Oct-22	M1C1/M1C1	NA	15-Oct-23
Long-term debt	ICRA	28-Mar-23	[ICRA]AA-(Stable) /[ICRA]A+(Stable)	5,580.00	28-Mar-24
Non-convertible debentures	ICRA	28-Mar-23	[ICRA]AA-(Stable) /[ICRA]A+(Stable)	766.17	28-Mar-24
Sub-ordinate Debt	ICRA	28-Mar-23	[ICRA]AA-(Stable) / NA	50.00	28-Mar-24
Commercial paper	ICRA	28-Mar-23	[ICRA]A1+ /[ICRA]A1+	500.00	28-Mar-24
PP-MLD	ICRA	28-Mar-23	PP-MLD[ICRA]AA+(CE) (Stable) /PP-MLD[ICRA] AA+(CE)(Stable)	150.00	28-Mar-24
Long-term debt	India Ratings and Research	8-Mar-23	Ind AA- Stable/ Ind A+ Stable	4,000.00	8-Mar-24
Non-convertible debentures	India Ratings and Research	8-Mar-23	Ind AA- Stable/ Ind A+ Stable	1,600.00	8-Mar-24
Principal Protected Market Linked Debenture	India Ratings and Research	8-Mar-23	IND PP-MLD AA- Stable /NA	60.00	8-Mar-24

o. Provisions and contingencies (shown under the head expenditure in statement of profit and loss):

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Impairment of financial instruments	401.02	449.44
-Provision for Stage 1 & 2	592.78	484.68
-Provision for Stage 3	(191.76)	(35.24)
Provision for income tax	238.23	113.56
Provision for gratuity	6.91	5.19
Provision for leave encashment and availment	10.79	10.94
Provision for fraud and misappropriation (net of recoveries)	0.03	0.04
Provision for other assets (net)	0.21	1.55
Total	**657.19**	**580.72**

p. Drawdown from reserves:

There has been no drawdown from reserves during the year ended March 31, 2023 (previous year: Nil).

q. Concentration of advances, exposures and NPAs

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Concentration of advances		
Total advances to twenty largest borrowers	3.16	1.06
(%) of advances to twenty largest borrowers to total advances	0.02%	0.01%
Concentration of exposures		
Total exposure to twenty largest borrowers / customers	3.16	1.06
(%) of exposures to twenty largest borrowers / customers to total exposure	0.02%	0.01%
Concentration of NPAs		
Total Exposure to top four NPA accounts	0.11	0.12

r. Movement of NPAs *

₹ in crore

Particulars	March 31, 2023	March 31, 2022
(i) Net NPAs to Net Advances (%)	**0.35%**	**0.94%**
(ii) Movement of NPAs (Gross):		
Opening balance	**558.65**	**449.56**
Additions during the year	396.29	1,062.95
Reductions during the year	718.55	1,119.29
Closing balance	**236.39**	**393.22**
(iii) Movement of Net NPAs		
Opening balance	**197.36**	**135.98**
Additions during the year (net)	(90.73)	142.20
Reductions during the year	39.77	163.32
Closing balance	**66.86**	**114.86**
(iv) Movement of provisions for NPAs		
Opening balance	**361.30**	**313.59**
Provisions made during the year	487.02	920.74
Write-off / write-back of excess provisions	678.78	955.98
Closing balance	**169.54**	**278.36**

* Represents Stage-III loans

s. Overseas Assets

The Company does not have any subsidiary / Joint venture abroad.

t. Off Balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have SPVs sponsored (which are required to be consolidated as per accounting norms).

u. Information on instances of fraud

Instances of fraud reported during the year ended March 31, 2023

₹ in crore

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount provided
Cash Embezzlement	11	1.06	0.09	0.97

Instances of fraud reported during the year ended March 31, 2022:

₹ in crore

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount provided
Cash Embezzlement	7	0.14	0.10	0.04

v. Public disclosure on Liquidity risk management

(i) Funding concentration based on significant Counterparty (both deposits and borrowings)

As at March 31, 2023

Number of significant counterparties	Amount (₹ in Crore)	% of Total Deposits	% of Total Liabilities
24	13,415.86	NA	80.09%

As at March 31, 2022

Number of significant counterparties	Amount (₹ in Crore)	% of Total Deposits	% of Total Liabilities
22	8,601.62	NA	79.24%

(ii) Top 20 large deposits (amount in ₹ Crore and % of total deposits)- Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-MFI) registered with Reserve Bank of India does not accept public deposits.

(iii) Top 10 borrowings (amount in ₹ Crore and % of total borrowings)

As at March 31, 2023

Amount (₹ in Crore)	% of Total Borrowings
9405.22	57.66%

As at March 31, 2022

Amount (₹ in Crore)	% of Total Borrowings
6781.45	64.68%

(iv) Funding concentration based on significant instrument / product

₹ in crore

Name of the instrument/ product	March 31, 2023	% of Total Liabilities	March 31, 2022	% of Total Liabilities
Term loans from Banks	10,740.33	64.12%	6,869.29	63.28%
Term Loans from Financial Institutions	1,525.75	9.11%	1,730.98	15.95%
Non Convertible Debentures	1,672.35	9.98%	1,372.81	12.65%
External commercial borrowings	1,599.65	9.55%	93.74	0.86%
Term Loans from Non banking Financial Companies	597.47	3.57%	302.24	2.78%

(v) Stock Ratios

As at March 31, 2023

Particulars	as a % of total public funds*	as a % of total liabilities*	as a % of total assets
Commercial papers	0%	0%	0%
Non-convertible debentures (original maturity of less than one year)	0%	0%	0%
Other short-term liabilities	2.85%	2.11%	1.62%

As at March 31, 2022

Particulars	as a % of total public funds*	as a % of total liabilities*	as a % of total assets
Commercial papers	0%	0%	0%
Non-convertible debentures (original maturity of less than one year)	0%	0%	0%
Other short-term liabilities	3.40%	2.58%	1.89%

(vi) Institutional set-up for liquidity risk management

The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance/limits decided by it.

The Company also has a Risk Management Committee, which is a sub-committee of the Board and is responsible for evaluating the overall risk faced by the Company including liquidity risk.

Asset Liability Management Committee (ALCO) of the Company is responsible ensuring adherence to the risk tolerance/limits as well as implementing the liquidity risk management strategy of the Company.

Chief Risk Officer shall be part of the process of identification, measurement and mitigation of liquidity risks.

The ALM support group consist of CFO and Head-Treasury who shall be responsible for analysing, monitoring and reporting the liquidity profile to the ALCO.

***Notes**

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/ products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
3. Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/ Surplus
4. "Public funds" shall include funds raised either directly or indirectly through public deposits, commercial paper, debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue as defined in Regulatory Framework for Core Investment Companies issued vide Notification No. DNBS (PD) CC.No. 206/03.10.001/2010-11 dated January 5, 2011.
5. The amount stated in this disclosure is based on the audited standalone financial statements for the year ended March 31, 2023.

w.Asset classification as per IRAC norms

(i) As at March 31, 2023

₹ in crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (Refer Note 1 below)	Difference between Ind AS 109 provisions and IRACP norms
-1-	-2-	-3-	-4-	(5)=(3)-(4)	-6-	(7) = (4)-(6)
Performing Assets						
Standard	Stage I *	19,111.28	157.27	18,954.02	147.81	9.46
	Stage II *	43.52	21.02	22.50	0.38	20.65
Subtotal		**19,154.80**	**178.29**	**18,976.51**	**148.19**	**30.10**
Non-Performing Assets (NPA)						
Substandard	**Stage III**	**236.39**	**169.55**	**66.84**	**79.46**	**90.08**
Doubtful - Up to 1 year	Stage III	-	-	-	-	-
1 to 3 years	Stage III	-	-	-	-	-
More than 3 years	Stage III	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage III	-	-	-	-	-
Subtotal for NPA		**236.39**	**169.55**	**66.84**	**79.46**	**90.08**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage I	-	-	-	-	-
	Stage II	-	-	-	-	-
	Stage III	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage I**	**19,111.28**	**157.27**	**18,954.02**	**147.81**	**9.46**
	Stage II	**43.52**	**21.02**	**22.50**	**0.38**	**20.65**
	Stage III	**236.39**	**169.55**	**66.84**	**79.46**	**90.08**
	Total	**19,391.19**	**347.84**	**19,043.36**	**227.65**	**120.19**

Notes:

1. Figures under this columns Represents provisions determined in accordance with the Asset classification and provisioning norms as stipulated under Master Directions.

(ii) As at March 31, 2022

₹ in crore

Asset Classification as per RBI Norms			Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (Refer Note 1 below)	Difference between Ind AS 109 provisions and IRACP norms
-1-			-2-	-3-	-4-	(5)=(3)-(4)	-6-	(7) = (4)-(6)
Performing Assets								
	Standard		Stage I *	11,920.16	84.19	11,835.97	44.96	39.23
			Stage II *	142.48	41.29	101.19	6.30	34.99
Subtotal				**12,062.64**	**125.48**	**11,937.16**	**51.26**	**74.21**
Non-Performing Assets (NPA)								
	Substandard		**Stage III**	**393.22**	**278.36**	**114.86**	**104.29**	**174.07**
	Doubtful - Up to 1 year		Stage III	-	-	-	-	-
		1 to 3 years	Stage III	-	-	-	-	-
		More than 3 years	Stage III	-	-	-	-	-
	Subtotal for doubtful			-	-	-	-	-
	Loss		Stage III	-	-	-	-	-
Subtotal for NPA				**393.22**	**278.36**	**114.86**	**104.29**	**174.07**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.			Stage I	-	-	-	-	-
			Stage II	-	-	-	-	-
			Stage III	-	-	-	-	-
Subtotal				**-**	**-**	**-**	**-**	**-**
Total			**Stage I**	**11,920.16**	**84.19**	**11,835.97**	**44.96**	**39.23**
			Stage II	**142.48**	**41.29**	**101.19**	**6.30**	**34.99**
			Stage III	**393.22**	**278.36**	**114.86**	**104.29**	**174.07**
			Total	**12,455.86**	**403.84**	**12,052.02**	**155.55**	**248.29**

Notes:

1. Figures under this columns Represents provisions determined in accordance with the Asset classification and provisioning norms as stipulated under Master Directions.

x. Loans against the security of gold

i) The Company has disbursed loans against the security of gold during financial year 2022-23. However, no auctions were conducted.

ii) Percentage of Loans against the security of gold to total asset:

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Gold Loans granted against collateral of gold jewellery (principal portion)	1.87	0.18
Total assets of the Company	21,858.06	14,795.10
Percentage of Gold Loans to Total Assets	0.01%	0.00%

y. Details of resolution plans implemented under the resolution Framework for Covid-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) as at March 31, 2022:

₹ in crore

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of the previous half year i.e. September 30, 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2023	Of (A) amount written off during the half-year ended March 31, 2023	Of (A) amount paid by the borrowers during the halfyear ended March 31, 2023 #	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. March 31, 2023
Personal Loans*	36.86	2.73	-	22.80	11.33
Corporate persons	-	-	-	-	-
Total	36.86	2.73	-	22.80	11.33

Note:

- In the above table, asset classification is reported as per Ind AS.

Amount paid by the borrower during the half year is net of additions in the exposure on account of interest accrual.

* Includes group loan (GL) and individual loan (IL).

z. Disclosure of resolution plans implemented during the year ended March 31, 2023 in terms of RBI's notification no. RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7 June 2019 is as follows:

Number of accounts where resolution plan has been implemented*	Exposure as at March 31, 2023 (₹ in crore)
6,003	12.16

* Includes group loan (GL) and individual loan (IL).

aa. Details of loans transferred / acquired during the year ended March 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) Details of transfer through Direct assignment in respect of loans not in default during the year March 31, 2023 and March 31, 2022:

Particulars	March 31, 2023	March 31, 2022
Number of Loans	559,186	374,239
Aggregate amount (₹ in crore)	1,940.92	1,260.69
Sale consideration (₹ in crore)	1,721.56	1,120.30
Number of transactions	9	5
Weighted average remaining maturity (in months)	16	16
Weighted average holding period after origination (in months)	8	8
Retention of beneficial economic interest	5% to 15%	6.81% to 15.00%
Coverage of tangible security Coverge	-	-
Rating wise distribution of rated loans	-	-
Number of instances (transactions) where transferred as agreed to replace the transferred loans	-	-
Number of transferred loans replaced	-	-

(ii) The Company has not transferred any non-performing assets (NPAs).

(iii) The Company has not acquired any loans through assignment.

(iv) The Company has not acquired any stressed loan.

ab. Liquidity Coverage Ratio Disclosure

Institutional set-up for liquidity risk management

The RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of ₹10,000 crore and above from December 1, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

The Company follows the criteria laid down by RBI for calculation of High Quality Liquid Assets (HQLA), gross outflows and inflows within the next 30-day period. HQLA predominantly comprises cash and balance with other banks in current account. All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation template.

The disclosure on Liquidity Coverage Ratio of the Company for the year ended March 31, 2023 is as under:

₹ in crore

	Particulars	Quarter March 31, 2023		Quarter December 31, 2022		Quarter September 30, 2022		Quarter June 30, 2022	
		Total unweighted value (average) @	Total weighted value (average) $	Total unweighted value (average) @	Total weighted value (average) $	Total unweighted value (average) @	Total weighted value (average) $	Total unweighted value (average) @	Total weighted value (average) $
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	-	-	-	-	-	-	-	-
	Cash and bank balance	583.31	583.31	524.77	524.77	341.19	341.19	156.62	156.62
	Short term fixed deposit	-	-	-	-	-	-	-	-
		583.31	**583.31**	**524.77**	**524.77**	**341.19**	**341.19**	**156.62**	**156.62**
Cash outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which								
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	1,007.18	1,158.26	974.14	1,120.26	747.70	859.85	771.47	887.20
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**1,007.18**	**1,158.26**	**974.14**	**1,120.26**	**747.70**	**859.85**	**771.47**	**887.20**
Cash inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	1,239.57	929.68	994.06	745.55	974.77	731.08	844.40	633.30
11	Other cash inflows #	912.93	684.70	870.73	653.04	519.74	389.81	1,128.56	846.42
12	**TOTAL CASH INFLOWS**	**2,152.49**	**1,614.37**	**1,864.79**	**1,398.59**	**1,494.52**	**1,120.89**	**1,972.96**	**1,479.72**
13	Total HQLA		583.31		524.77		341.19		156.62
14	Total net cash outflows		289.57		280.06		214.96		221.80
15	Liquidity Coverage Ratio (%)		201.44%		187.37%		158.72%		70.61%

$ Quarter ending March 31, 2023 Liquidity Coverage Ratio is calculated based on Merged entiry basis (due to merger of Madura Micro Fianance Limited with the Company). All earlier quarters are based on Standalone enitiy basis.

@ Unweighted values calculated as outstanding balances maturing or callable within one month (for inflows and outflows). Averages are calculated basis simple average of month-end observations for Q4-FY2023.

Other cash inflows includes Fixed deposit placed with banks and proceeds from redemption of mutual funds.

₹ in crore

	Particulars	Quarter March 31, 2022		Quarter December 31, 2021		Quarter September 30, 2021		Quarter June 30, 2021	
		Total unweighted value (average) @	Total weighted value (average) $	Total unweighted value (average) @	Total weighted value (average) $	Total unweighted value (average) @	Total weighted value (average) $	Total unweighted value (average) @	Total weighted value (average) $
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	-	-	-	-	-	-	-	-
	Cash and bank balance	805.65	805.65	435.90	435.90	753.52	753.52	1,192.68	1,192.68
	Short term fixed deposit	-	-	-	-	-	-	-	-
		805.65	**805.65**	**435.90**	**435.90**	**753.52**	**753.52**	**1,192.68**	**1,192.68**
Cash outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which								
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	719.16	827.03	675.36	776.66	564.97	649.72	575.71	662.07
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**719.16**	**827.03**	**675.36**	**776.66**	**564.97**	**649.72**	**575.71**	**662.07**
Cash inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	830.45	622.84	783.36	587.52	701.65	526.24	687.14	515.36
11	Other cash inflows #	202.34	151.75	302.41	226.80	517.64	388.23	521.69	391.26
12	**TOTAL CASH INFLOWS**	**1,032.79**	**774.59**	**1,085.77**	**814.32**	**1,219.29**	**914.47**	**1,208.83**	**906.62**
13	Total HQLA		805.65		435.90		753.52		1,192.68
14	Total net cash outflows		206.76		194.16		162.43		165.52
15	Liquidity Coverage Ratio (%)		389.66%		224.50%		463.91%		720.58%

@ Unweighted values calculated as outstanding balances maturing or callable within one month (for inflows and outflows). Averages are calculated basis simple average of month-end observations for Q4-FY2022.

$ Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).

Other cash inflows includes Fixed deposit placed with banks and proceeds from redemption of mutual funds.

ac. Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended:

₹ in crore

	Particulars	March 31, 2023		March 31, 2022	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities side :				
1)	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**				
	(a) Debentures : Secured	1,672.35	-	1,372.81	-
	: Unsecured	52.65	-	-	-
	(other than falling within the meaning of public deposits)				
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	14,587.25	-	9,112.25	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	-	-	-	-
	(f) Other Loans (Working Capital Loans from Banks)	-	-	-	-

₹ in crore

	Particulars	March 31,2023 Amount Outstanding	March 31,2022 Amount Overdue
	Assets side :		
2)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] (net carrying value):**		
	(a) Secured	60.21	8.76
	(b) Unsecured	19,330.98	12,192.84
3)	**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
4)	**Break-up of Investments :**		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	2. Unquoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Certificate of Deposits and Commercial Paper)		
	Long Term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	2. Unquoted :		
	(i) Shares : (a) Equity #	0.55	663.49
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	453.98	-
	(v) Others (please specify)	-	-

pertains to investment of ₹ 663.29 in Madura Micro Finance Limited (the "erstwhile Subsidiary") which is merged with Company during the current year (refer note 45).

ac. Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended (continued)

5) Borrower group-wise classification of assets financed as in (2) and (3) above :

₹ in crore

Category	March 31, 2023			March 31, 2022		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	149.58	149.58
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	60.21	19,330.98	19,391.19	8.76	12,043.26	12,052.02
Total	**60.21**	**19,330.98**	**19,391.19**	**8.76**	**12,192.84**	**12,201.60**

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

₹ in crore

Category	March 31, 2023		March 31, 2022	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **				
(a) Subsidiaries @	NA	0.01	762.48	663.29
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	NA	454.51	NA	0.20
Total		**454.52**		**663.49**

** As per Ind AS
@ pertains to investment of ₹ 663.29 crores in Madura Micro Finance Limited (the "erstwhile Subsidiary") which is merged with Company during the current year.

7) Other information

₹ in crore

Particulars	March 31, 2023			March 31, 2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
(i) Gross Non-Performing Assets						
(a) Related parties	-	-	-	-	-	-
(b) Other than related parties	0.21	236.18	236.39	0.20	393.02	393.22
(ii) Net Non-Performing Assets						
(a) Related parties	-	-	-	-	-	-
(b) Other than related parties	0.03	66.83	66.86	-	114.86	114.86
(iii) Assets acquired in satisfaction of debt	**-**	**-**	**-**	**-**	**-**	**-**

ad. Related Party disclosure *

₹ in crore

Items	Related Party													
	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel@		Relatives of Key Management Personnel@		Others*		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances #	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments#	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received #	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others:														
Remuneration to KMP	-	-	-	-	-	-	10.80	7.99	-	-	-	-	10.80	7.99
Setting Fee	-	-	-	-	-	-	0.85	0.68	-	-	-	-	0.85	0.68
Commission to Directors	-	-	-	-	-	-	1.26	0.57	-	-	-	-	1.26	0.57
Grant Given	-	-	11.51	2.70	-	-	-	-	-	-	-	-	11.51	2.70
Rent received	-	-	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
Balances Written off	-	-	1.49	2.36	-	-	-	-	-	-	-	-	1.49	2.36
Provision reversal	-	-	(1.49)	(2.36)	-	-	-	-	-	-	-	-	(1.49)	(2.36)
Others Outsanding:														
Commission to Directors payable $	-	-	-	-	-	-	0.87	0.40	-	-	-	-	-	-

$ Maximum outstanding is same as closing payable.
* Comparatives are based on merged entity basis for March 31, 2022.
# Transaction and balances pertaining to Madura Micro Finance Limited ("MMFL") is not considered for above disclosure as it is merged with Company pursuant to NCLT order Dated February 07, 2023. (Refer Note 45).

CREDITACCESS GRAMEEN LIMITED
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ae. Disclosure of Complaints

(i) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	March 31, 2023	March 31, 2022
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	3	4
2	Number of complaints received during the year	2,933	3,189
3	Number of complaints disposed during the year	2,936	3,192
3.1	Of which, number of complaints rejected by the NBFC	1,177	1,214
4	Number of complaints pending at the end of the year	-	1
Maintainable complaints received by the NBFC from Office of Ombudsman			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	10	3
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	10	3
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

(ii) Top five grounds of complaints received by NBFC from customers

Sr. No	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	March 31, 2023					
1	Loans and advances	1	2,171	-4.2%	-	-
2	Credit Bureau related	1	142	238.1%	-	-
3	Insurance	1	448	-35.8%	-	-
4	Grievance against staff	-	104	18.2%	-	-
5	Others	-	68	-29.2%	-	-
Total		3	2,933	-8.0%	-	-
	March 31, 2022					
1	Loans and advances	3	2,265	14.97%	-	-
2	Credit Bureau related	1	42	-12.50%	-	-
3	Insurance	-	698	32.20%	1	-
4	Grievance against staff	-	88	-16.19%	-	
5	Others	-	96	47.69%	-	-
Total		4	3,189	17.42%	1	-

af. Exposure to Real estate and Capital Market

(i) Exposure to Real estate

₹ in crore

Category	March 31, 2023	March 31, 2022
A. Direct exposure		
(i) Residential Mortgages -	52.74	8.61
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.		
(ii) Commercial Real Estate -	Nil	Nil
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures-		
a. Residential	Nil	Nil
b. Commercial Real Estate.	Nil	Nil
B. Indirect Exposure	Nil	Nil
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	Nil	Nil
Total Exposure to Real Estate Sector	52.74	8.61

(ii) Exposure to Capital Market

₹ in crore

Category	March 31, 2023	March 31, 2022
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt # @	0.55	663.50
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-

Investment in un-listed company.
@ pertains to investment of ₹ 663.29 in Madura Micro Finance Limited (the "erstwhile Subsidiary") which is merged with Company during the current year.

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ag. Intra-group exposures

The Company has not given advances to Group companies as on March 31, 2023 (March 31, 2022: ₹ 149.58 crore).

ah. Unhedged foreign currency exposure

The Company has no unhedged foreign currency exposure as on March 31, 2023 (March 31, 2022: Nil).

ai. Divergence in Asset classification and provisioning

There is no Divergence assessed by Reserve Bank of India.

aj. Sectoral exposure #

₹ in crore

Sectors	March 31, 2023			March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	**11,380.03**	**132.57**	**1.16%**	**7,269.16**	**219.37**	**3.02%**
2. Services						
(i) Other services (Micro activities and Essential Services)	9,483.33	101.87	1.07%	6,267.02	143.53	2.29%
Total of Services	**9,483.33**	**101.87**	**1.07%**	**6,267.02**	**143.53**	**2.29%**
3. Personal Loans						
(i) Gold Loans	1.87	0.01	0.30%	0.18	-	0.00%
(ii) Vehicle Loans	3.94	0.01	0.18%	0.40	0.02	4.06%
(ii) Other Personal Loans $	162.64	6.28	3.86%	194.96	39.43	20.22%
Total of Personal Loans	**168.45**	**6.30**	**3.74%**	**195.55**	**39.45**	**20.17%**
4. Others, if any (please specify)	**-**	**-**	**-**	**-**	**-**	**-**

This disclosure is prepared based on principal outstanding as at reporting date.
$ Other Personal Loans given for business purposes

44 Operating segments

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company. The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure. No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2023 and March 31, 2022.

45 Amalgamation of Madhura Micro Finance Limited ("MMFL") with the Company

(i) Madhura Micro Finance Limited ("MMFL") was subsidiary of the Company and both the Companies are NBFCs MFI registered with RBI. The Board of directors of MMFL and the Company had approved the scheme of amalgamation by way of merger by absorption ("Scheme") of MMFL (referred as "Transferor Company") with the Company (referred as "Transferee Company") on November 27, 2019 effective from April 01, 2020 (Appointed date). The Scheme was also approved by the equity shareholders of both the Companies pending for subsequent approvals by the National Company Law Tribunal ('NCLT').

The Company received order of amalgamation of MMFL (subsidiary of the Company) with CreditAccess Grameen Limited effective from April 1, 2020 from the Hon'ble 'NCLT', Chennai Bench vide its order dated October 12, 2022, and the Hon'ble NCLT Bengaluru Bench, vide its order dated February 07, 2023.

(ii) Pursuant to receipt of necessary orders from NCLT Bengaluru and Chennai sanctioning the scheme of amalgamation by way of merger by absorption of MMFL with the Company, under Sections 230 to 232 of the Companies Act, 2013, the Scheme became effective on February 15, 2023. The Company has accounted for the amalgamation on and from the Appointed date, i.e., April 1, 2020, as specified in Scheme.

Due to the aforesaid merger being effective from the Appointed date i.e. April 1, 2020, the Financial Statements of the Company for the previous years have been recast/restated.

(iii) Break down of the total purchase consideration into net value of assets, liabilities and reserve transfer is as under:

₹ in crore

Particulars	Amount
I. Consideration paid for acquisition	**869.13**
Assets, Liabilities and Reserves transferred	
a. Assets acquired on appointed date	2,311.51
b. Liabilities transferred on appointed date	1,801.71
c. Reserves transferred on appointed date	60.52
d. Equity adjustment on account of subsequent acquisition before appointed date	3.33
e. Deferred tax adjustment post merger (Refer Note below 45 (iv))	40.84
II. Net Value (a-b-c+d+e)	**493.45**
III. Goodwill (I-II)	**375.68**

(iv) At the time of acquisition of MMFL, the Company recorded deferred tax liability in consolidated financial statements on Customer relationship of ₹ 40.84 Crore. After amalgamation of MMFL with the Company, the company considers that Customer relationship assets are eligible for tax Depreciation from appointed date April 1, 2020. Hence, in accordance with the Indian Accounting Standard 12 'Income taxes', Company has reversed the deferred tax liability on Customer relationship assets in the financial statements.

(v) Company has considered the shares issued in amalgamation transaction while calculating basic and dilutive EPS for the year ended March 31, 2023 and March 31, 2022, as the appointed date was April 1, 2020. (Refer Note 46)

46 Earnings per share (EPS)

The following reflects the profit after tax and equity share data used in the basic and diluted EPS calculations:

Particulars	March 31, 2023	March 31, 2022
Net profit after tax as per statement of profit and loss (₹ in crores)	826.03	353.08
Net profit as above for calculation of basic EPS and diluted EPS (₹ in crores)	826.03	353.08
Weighted average number of equity shares in calculating basic EPS *	158,735,423	158,398,951
Stock options granted under ESOP	684,988	622,097
Weighted average number of equity shares in calculating dilutive EPS	159,420,412	159,021,047
Earnings per share	52.04	22.29
Dilutive earnings per share	51.81	22.20
Nominal value per share	10.00	10.00

*Company has considered share issued in business combination transaction while calculating Basic and dilutive EPS for the year ended March 31, 2023 and March 31, 2022. (refer note 45)

47 Other Disclosures

(i) No Benami Property is held by the Company and/or there are no proceedings that have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

(iii) There were no delay in repayment of borrowings and Subordinated liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021.

(iv) There are no charges or satisfaction in relation to any debt / borrowings which are yet to be registered with ROC beyond the statutory period.

(v) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vi) Other than the transactions that are carried out as part of Company normal lending business:

A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

(viii) There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

(ix) Income tax Demand Notice

During the year, the Company has received a demand notice for an amount of ₹ 122.63 crore pertaining to Income tax for AY 2018-19. The matter is mainly on the department's contention of excess consideration received by the Company on conversion of Compulsorily Convertible Debentures (CCDs) into its equity shares. As per Company's assessment, the probability of the liability devolving on the Company is remote and accordingly, the same is neither been provided for nor been considered as contingent liability.

(x) Analytical Ratios:

CreditAccess Grameen Limited for March 31, 2023 **₹ in crore**

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
-Tier I CRAR	4,393.04	19,359.74	22.69%	25.87%	-12.28%	N/A
- Tier II CRAR	172.31	19,359.74	0.89%	0.67%	33.52%	#
Liquidity Coverage Ratio	583.31	289.57	201.44%	389.66%	-48.30%	$

increase in stage 1 provisioning %.
$ Same is Maintained higer than as per RBI mandate.

CreditAccess Grameen Limited for March 31, 2022 **₹ in crore**

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
-Tier I CRAR	3,268.63	12,635.04	25.87%	30.50%	-15.19%	N/A
- Tier II CRAR	84.22	12,635.04	0.67%	1.25%	-46.67%	#
Liquidity Coverage Ratio	805.65	206.76	389.66%	135.39%	187.81%	##

Subordinated liabilities is fully paid during the current financial year.
Higher liquidity maintained during March 31, 2022

48 Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/disclosure adopted in the current year.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

For and on behalf of Board of Directors of CreditAccess Grameen Limited

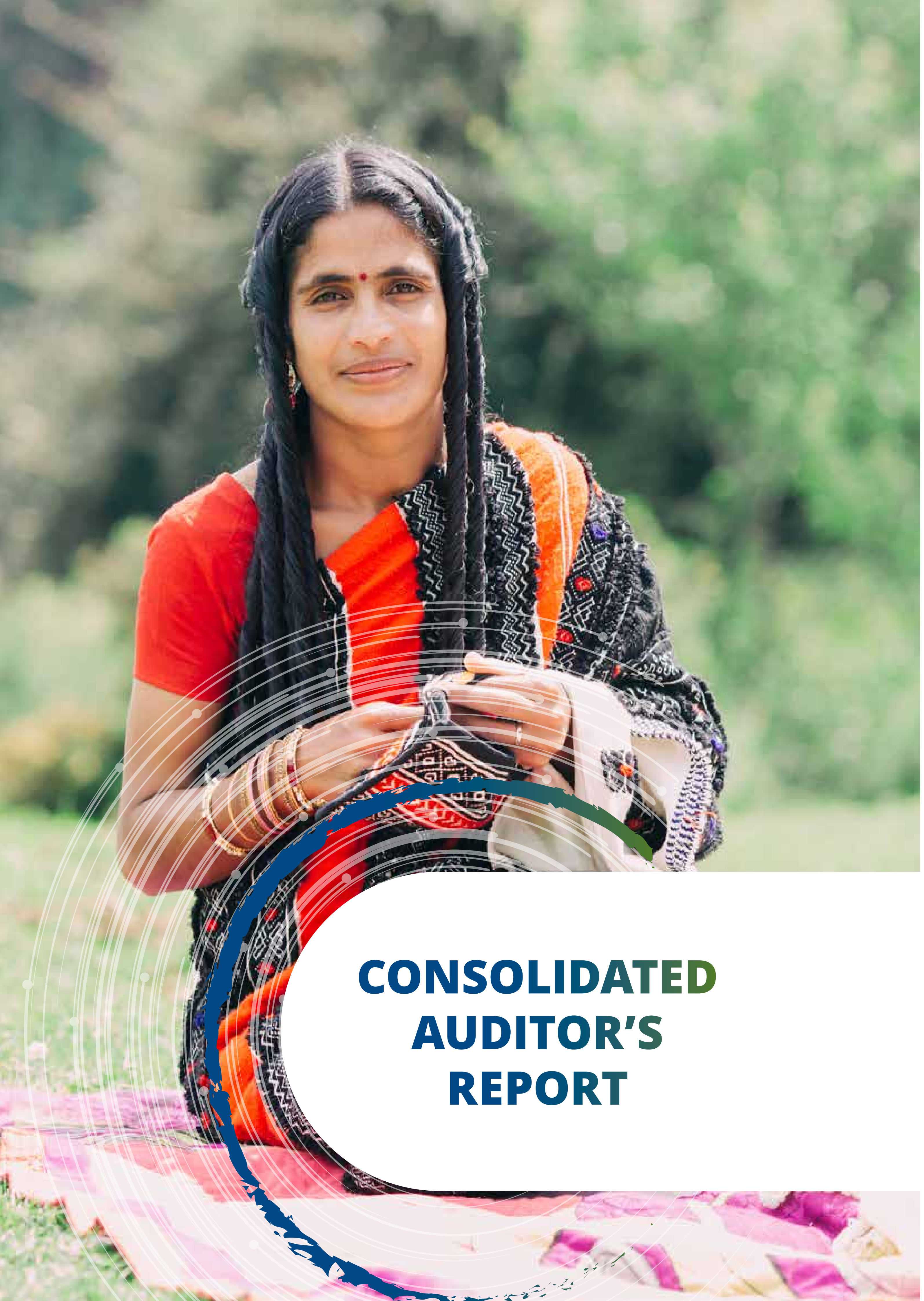
Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023



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INDEPENDENT AUDITORS' REPORT

To The Members of CREDITACCESS GRAMEEN LIMITED
Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **CREDITACCESS GRAMEEN LIMITED** (the "Parent") and its subsidiary, (the Parent and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of the subsidiary referred to in the Other Matter section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to note 43 of the consolidated financial statements regarding the approved Scheme of Amalgamation (the "Scheme") between Madura Micro Finance Limited (erstwhile subsidiary of the Parent) and the Parent.

- The Parent has given effect to the Scheme from the appointed date specified in the Scheme i.e. April 01, 2020. Pursuant to giving effect of the Scheme the Group has recorded additional Goodwill of ₹ 58.10 crore, as required by the Scheme. The additional goodwill has been accounted as mandated by para 14(vi) of the Scheme.
- Further, due to the aforesaid merger being effective from the Appointed Date, i.e., April 1, 2020, the consolidated financial statements of the Group for the previous years have been recast/restated.

Our report is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How the key audit matter was addressed in our Audit
(a) Impairment of Loans (Expected Credit Losses) (as described in note 6 of the consolidated Ind AS financial statements)	
The Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS requirement and the relevant Reserve Bank of India's (RBI) regulations/ circulars. The recognition and measurement of impairment of loans involve significant management judgement. The Group's impairment allowance is derived from estimates including the historical default and loss ratios using criteria in accordance with Ind AS 109 and considering applicable RBI's regulations/ circulars. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans. Since the recognition and measurement of impairment of loans is significant to the overall audit due to stakeholder and regulatory focus, we have ascertained this as a key audit matter. The relevant disclosures are made in financial statements for ECL including those relating to judgements and estimates by the Management in determination of the ECL. Refer note 6(A), note 6(B) and note 41.2 to the consolidated Ind AS financial statements.	Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. In particular: • We examined Board Policy approving the methodology for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Group; • We have performed the walkthrough and evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the allocation of assets into stages; • We tested, on samples basis, the input and historical data used for determining the PD and LGD rates, model validation and agreed the data with the underlying books of accounts and records; • We tested the arithmetical calculation of the workings of the expected credit losses; • We evaluated that the Group's impairment allowance is derived in accordance with Ind AS 109 which also include considering the impact of RBI's regulations/ circulars; • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 on ECL especially in relation to judgements used in estimation of ECL provision.

Information Other than the Financial Statements and Auditor's Report thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analysis (the "Reports"), but does not include the consolidated financial statements and our auditors' report thereon. The Reports are expected to be made available to us after the date of this auditors' report.

- Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the management report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The Board of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the Management of the company included in the Group are responsible for assessing the ability of the entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate their entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entity or business activities included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of the subsidiary, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent and taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group company is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position as at the year end of the Group - Refer Note 34 to the consolidated financial statements;

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts as at the year end.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary company.

iv) (a) The respective Managements of the Parent and its subsidiary, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiary whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements, no funds have been received by the Parent or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The Parent has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us and the auditor of company included in the consolidated financial statements, as provided to us by the Management of the Parent, we report that CARO is applicable only to the Parent and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Parent.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 23109839BGXPYH9807
Place: Bengaluru
Date: May 16, 2023

PKF Sridhar & Santhanam LLP
Chartered Accountants
(Firm's Registration No. 003990S/ S200018)

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 23208545BGVAJC9132
Place: Bengaluru
Date: May 16, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **CreditAccess Grameen Limited** (hereinafter referred to as the "Parent") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 23109839BGXPYH9807
Place: Bengaluru
Date: May 16, 2023

PKF Sridhar & Santhanam LLP
Chartered Accountants
(Firm's Registration No. 003990S/ S200018)

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 23208545BGVAJC9132
Place: Bengaluru
Date: May 16, 2023

CREDITACCESS GRAMEEN LIMITED
CONSOLIDATED AUDITORS' REPORT | FY 2023

CONSOLIDATED FINANCIALS

Consolidated balance sheet as at March 31, 2023

₹ in crore

Sr. No.	Particulars	Notes	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	ASSETS				
(1)	**Financial assets**				
(a)	Cash and cash equivalents	4	1,341.41	1,580.55	2,360.09
(b)	Bank balance other than cash and cash equivalents	5	95.02	180.84	124.29
(c)	Loans	6	19,043.34	14,765.33	11,720.48
(d)	Investments	7	454.52	0.54	0.54
(e)	Derivative financial instruments	11	31.63	-	-
(f)	Other financial assets	8	149.59	118.48	132.31
(2)	**Non-financial assets**				
(a)	Current tax assets (net)	30	39.56	38.45	38.01
(b)	Deferred tax assets (net)	30	80.93	155.39	134.70
(c)	Property, plant and equipment	10 (A)	32.08	31.80	24.15
(d)	Right of use assets	10 (A)	64.75	74.76	67.50
(e)	Goodwill	43	375.68	375.68	375.68
(f)	Intangible assets	10 (A)	126.52	146.65	163.54
(g)	Intangible assets under development	10 (B)	3.94	3.07	0.62
(h)	Other non-financial assets	9	19.13	10.41	13.21
	Total assets		**21,858.10**	**17,481.95**	**15,155.12**
	LIABILITIES AND EQUITY				
(1)	**Financial liabilities**				
(a)	Derivative financial instrument	11	-	1.66	-
(b)	Payables				
	(I) Trade payables				
	(i) Total outstanding dues of micro enterprises and small enterprises	12	0.10	-	-
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	12	43.95	34.78	22.05
	(II) Other payables				
	(i) Total outstanding dues of micro enterprises and small enterprises	12	-	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12	259.65	224.24	179.64
(c)	Borrowings				
	- Debt securities	13	1,672.35	1,418.10	1,674.95
	- Borrowings (other than debt securities)	14	14,562.00	11,424.85	9,163.68
	- Subordinated liabilities	15	77.91	77.74	102.70
(d)	Other financial liabilities	16	78.88	87.44	82.94
(2)	**Non-financial liabilities**				
(a)	Current tax liabilities (Net)	30	0.56	1.46	0.99
(b)	Provisions	17	36.63	31.25	25.53
(c)	Other non-financial liabilities	18	19.10	13.52	11.37
(3)	**Equity**				
(a)	Equity share capital	19	158.91	155.87	155.58
(b)	Other equity	20	4,948.06	4,011.04	3,735.69
	Total liabilities and equity		**21,858.10**	**17,481.95**	**15,155.12**

The accompanying notes are an integral part of the Consolidated financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

For and on behalf of Board of Directors of CreditAccess Grameen Limited

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

Consolidated statement of profit and loss for the year ended March 31, 2023

₹ in crore

Sr. No.	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I	**Revenue from operations**			
(a)	Interest income	21	3,327.13	2,567.33
(b)	Fees and commission income	22	19.51	13.22
(c)	Net gain on fair value changes	23	18.14	87.84
(d)	Bad debts recovery		58.09	74.15
(e)	Net gain on derecognition of financial instruments under amortised cost category		122.25	-
(f)	Others		-	0.28
	Total revenue from operations (I)		**3,545.12**	**2,742.82**
II	**Other income**	**24**	**5.67**	**7.31**
III	**Total income (I+II)**		**3,550.79**	**2,750.13**
IV	**Expenses**			
(a)	Finance costs	25	1,212.88	984.14
(b)	Fee and commission expense		1.80	2.96
(c)	Impairment on financial instruments	26	401.02	596.74
(d)	Employee benefit expenses	27	515.24	437.66
(e)	Depreciation and amortization expenses	28	49.84	47.23
(f)	Other expenses	29	264.59	200.61
	Total expenses (IV)		**2,445.37**	**2,269.34**
V	**Profit before tax (III-IV)**		**1,105.42**	**480.79**
VI	**Tax expense**	30		
	(1) Current tax		238.23	120.28
	(2) Deferred tax		41.13	7.44
	Total tax expense (VI)		**279.36**	**127.72**
VII	**Profit for the year (V-VI)**		**826.06**	**353.07**
VIII	**Other comprehensive income/ (loss)**			
(a)	(1) Items that will not be reclassified to profit or loss		(0.60)	0.71
	(2) Income tax relating to items that will not be reclassified to profit or loss		0.15	(0.18)
	Subtotal (a)		**(0.45)**	**0.53**
(b)	(1) Items that will be reclassified to profit or loss		11.84	(114.13)
	(2) Income tax relating to items that will be reclassified to profit or loss		(2.98)	28.24
	Subtotal (b)		**8.86**	**(85.89)**
	Other comprehensive income / (loss) (VIII = a+b)		**8.41**	**(85.36)**
IX	**Total comprehensive income (VII+VIII) (comprising profit and other comprehensive income/(loss) for the year)**		**834.47**	**267.71**
X	**Earnings per equity share (EPS) (face value of ₹10.00 each)**	45		
	Basic (in ₹)		52.04	22.29
	Diluted (in ₹)		51.82	22.20

The accompanying notes are an integral part of the Consolidated financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

For and on behalf of Board of Directors of CreditAccess Grameen Limited

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

Consolidated statement of changes in equity for the year ended March 31, 2023

a) Equity share capital
As at March 31, 2023, March 31, 2022
Equity shares of ₹10 each issued, subscribed and fully paid.

Particulars	No of shares	₹ in crores
Balance at the end of the Current reporting period (as at March 31, 2021)	**155,582,040**	**155.58**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the Current reporting period (as at April 1, 2021)	**155,582,040**	**155.58**
Changes in equity share capital during the current year	284,306	0.29
Balance at the end of the Current reporting period (as at March 31, 2022)	**155,866,346**	**155.87**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the Current reporting period (as at April 1, 2022)	**155,866,346**	**156**
Changes in equity share capital during the current year	3,040,097	3.04
Balance at the end of the Current reporting period (as at March 31, 2023)	**158,906,443**	**158.91**

b) Other equity

₹ in crore

Particulars	Reserve & Surplus					Shares to be issued (refer note 43)	Debt instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedge	Total Other Equity (A)
	Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934) (Refer Note 20.3)	Capital reserve (Refer Note 20.2)	Securities premium	Share options outstanding account	Retained earnings				
As at March 31, 2021	**294.09**	**49.95**	**2,263.13**	**8.52**	**917.56**	**206.38**	**(3.94)**	**-**	**3,735.69**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance As at April 1, 2021	**294.09**	**49.95**	**2,263.13**	**8.52**	**917.56**	**206.38**	**(3.94)**	**-**	**3,735.69**
Profit for the year	-	-	-	-	353.07	-	-	-	353.07
Other comprehensive income/(loss) (net of tax)	-	-	-	-	0.53	-	(86.28)	0.39	(85.36)
Transferred From Share Option Outstanding on ESOPs Exercised	-	-	2.25	(2.25)	-	-	-	-	-
Securities Premium on ESOPs Exercised	-	-	2.74	-	-	-	-	-	2.74
Transferred to statutory reserves	76.43	-	-	-	(76.43)	-	-	-	-
Employee stock option compensation for the year	-	-	-	5.45	-	-	-	-	5.45
Equity adjustment on account of subsequent acquisition of shares	-	-	-	-	-	(0.55)	-	-	(0.55)
As at March 31, 2022	**370.52**	**49.95**	**2,268.12**	**11.72**	**1,194.73**	**205.83**	**(90.22)**	**0.39**	**4,011.04**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance As at April 1, 2022	**370.52**	**49.95**	**2,268.12**	**11.72**	**1,194.73**	**205.83**	**(90.22)**	**0.39**	**4,011.04**
Profit for the year	-	-	-	-	826.06	-	-	-	826.06
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(0.45)	-	90.22	8.86	98.63
Transferred From Share Option Outstanding on ESOPs Exercised	-	-	2.96	(2.96)	-	-	-	-	-
Securities Premium on ESOPs Exercised	-	-	4.36	-	-	-	-	-	4.36
Transferred to statutory reserves	165.21	-	-	-	(165.21)	-	-	-	-
Allotment of share as per the scheme of merger	-	-	203.15	-	-	(205.83)	-	-	(2.68)
Employee stock option compensation for the year	-	-	-	10.65	-	-	-	-	10.65
As at March 31, 2023	**535.73**	**49.95**	**2,478.59**	**19.41**	**1,855.13**	**-**	**-**	**9.25**	**4,948.06**

The accompanying notes are an integral part of the Consolidated financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

For and on behalf of Board of Directors of CreditAccess Grameen Limited

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
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Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

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Independent Director
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S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

Consolidated statement of cash flows for the year ended March 31, 2023

₹ in crore

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities:		
Profit before tax	1,105.42	480.79
Adjustments for:		
Interest income on loans	(3,277.40)	(2,533.54)
Interest on deposits with banks and financial institutions	(31.04)	(33.73)
Income from government securities	(18.62)	-
Depreciation and amortisation expenses	49.84	47.23
Finance costs	1,212.88	984.14
Impairment on financial instruments	401.02	596.74
Net gain on financial instruments at fair value through profit or loss	(21.33)	(17.86)
Gain on derecognition of loans designated at FVTOCI	3.18	(69.98)
Gain on derecognition of loans designated at amortised cost	(122.25)	-
Dividend Income	-	(0.28)
Share based payments to employees	10.65	5.45
Provision for other assets	0.31	1.59
	(1,792.76)	**(1,020.24)**
Operational cash flows from interest:		
Interest received on loans	3,392.58	2,551.96
Finance costs paid	(1,213.20)	(976.02)
Working capital changes:		
(Increase) in loans	(4,673.63)	(3,775.40)
Decrease in other financial assets	87.65	81.78
(Increase) / Decrease in other non-financial assets	(8.72)	3.00
Increase in trade and other payables	44.68	57.31
(Decrease) in other financial liabilities	(2.07)	(4.90)
Increase in provisions	4.78	6.43
Increase in other non-financial liabilities	5.58	2.14
	(4,541.73)	**(3,629.64)**
Income tax paid (net of refunds)	**(240.09)**	**(120.32)**
Net cash flows (used in) operating activities (A)	**(3,289.78)**	**(2,713.47)**
Cash flow from investing activities:		
Purchase of property, plant and equipment	(13.72)	(20.16)
Proceeds from sale of property, plant and equipment	0.05	0.13
Purchase of Intangible assets and expenditure on Intangible assets under development	(3.60)	(7.70)
Interest on deposits with banks and financial institutions	36.28	33.73
Decrease / (increase) in bank balance other than cash and cash equivalents	80.59	(56.55)
Purchase of investments	(7,154.34)	(7,348.70)
Sale of investments	7,175.66	7,366.56
Investment in government securities (net)	(447.34)	-
Income from government securities	11.99	-
Dividend Income	-	0.28
Investment in equity shares	-	(0.55)
Net cash flows (used in)/ from investing activities (B)	**(314.43)**	**(32.96)**
Cash flow from financing activities:		
Debt securities issued/(repaid) (net)	256.34	(257.19)
Borrowings other than debt securities issued (net)	3,123.33	2,264.41
Subordinated liabilities repaid (net)	(0.44)	(25.00)
Payment of lease liability (net)	(18.89)	(18.36)
Proceeds from the employee stock options	4.73	3.03
Net cash flows from financing activities (C)	**3,365.07**	**1,966.89**
Net (decrease)/ increase in cash and cash equivalents	**(239.14)**	**(779.54)**
Cash and cash equivalents as at the beginning of the year (Refer Note 4)	1,580.55	2,360.09
Cash and cash equivalents as at the end of the year (Refer Note 4)	**1,341.41**	**1,580.55**

The accompanying notes are an integral part of the consolidated financial statement.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

For and on behalf of Board of Directors of CreditAccess Grameen Limited

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

CREDITACCESS GRAMEEN LIMITED
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Notes to the consolidated financial Statements for the year ended March 31, 2023

1. Corporate information

CreditAccess Grameen Limited (CIN- L51216KA1991PLC053425) ('the Holding Company) is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and has got classified as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with effect from September 5, 2013. The Company's shares are listed on BSE Limited ('BSE') and National Stock Exchange of India Ltd ('NSE'). The Company being a Non-banking financial Company (NBFC – MFI), is registered with the Reserve Bank of India (Certificate of Registration Number: B- 02.00252). The Holding Company is located at New No. 49 (Old No. 725), 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalayana Mantap) Bengaluru 560071, Karnataka, India.

The Holding Company and its subsidiaries (the 'Group') is engaged primarily in providing micro finance services to women who are enrolled as members and organized as Joint Liability Groups ('JLG') or Self Help Groups ('SHG'). In addition to the core business of providing micro-credit, the Company uses its distribution channel to provide certain other financial products and services to the members. The financial statements of the Company for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 16, 2023.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period. The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crore, except when otherwise indicated. These Consolidated financial statements have been prepared on a going concern basis.

2.1. Presentation of Consolidated financial statements

The Group presents its balance sheet in order of liquidity.

The Group generally reports financial assets and financial liabilities on a gross basis in the balance sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

Details of Companies Consolidated in these consolidated financial statements:

Name of the Company	Type	Country of incorporation	Holding as at March 31, 2023	Holding as at March 31, 2022
CreditAccess Grameen Limited	Holding Company	India	Holding Company	Holding Company
CreditAccess India Foundation	Subsidiary Company	India	100%	100%

2.2. Critical accounting estimates and judgements

The preparation of the Group's financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the consolidated financial statements for e.g.:

- Business model assessment (Refer Note no. 3.14)
- Effective interest rate (EIR) (Refer Note no. 3.1.1)
- Impairment of financial assets (Refer Note no. 3.15)
- Provision for tax expenses (Refer note no. 3.11)
- Residual value and useful life of property, plant and equipment (Refer Note no. 3.6.1)
- Hedge accounting (Refer Note no. 3.17)

2.3. Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiary, being the entity that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

1. The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

2. Profits or losses resulting from intra-group transactions that are recognised in assets, such as Property, Plant and Equipment, are eliminated in full.

3. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

5. The carrying amount of the parent's investment in subsidiary is offset (eliminated) against the parent's portion of equity in subsidiary.

6. Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

3. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Revenue recognition

3.1.1 Interest income

Interest income for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

3.1.2 Interest on financial assets at fair value through profit and loss (FVTPL) is recognised in accordance with the contractual terms of the instrument.

3.1.3 The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue From Contracts with Customers'. The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

3.1.4 The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

3.1.5 Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised.

3.1.6 Dividend Income

Dividend income is recognised when the right to receive payment is established.

3.2 Finance cost

Borrowing cost on financial liabilities including towards securitisation transactions not derecognised by the Group are recognised by applying the EIR.

3.3 Cash and cash equivalents

Cash and cash equivalents, comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less, that are readily convertible to cash with an insignificant risk of changes in value.

3.4 Property, plant and equipment ('PPE')

Initial Recognition and measurement:

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

3.6 Depreciation and amortization

3.6.1 Depreciation

Depreciation on property, plant and equipment is measured using the straight line method as per the useful lives of the assets estimated by the management. The useful life estimated by the management is as under:

Category of Asset	Useful life (Years)
Furniture and fittings	10
Office equipments	05
Vehicles	08
Buildings	30
Electrical equipments	10
Computers (Including Servers)	03

Leasehold improvement is amortised on a straight line basis over the primary period of lease.

The management has estimated the useful life of servers and two-wheeler vehicles as 3 years and 8 years respectively, which are lower than those prescribed under Schedule II to the Act.

Property, plant and equipment costing less than ₹ 5000 per unit are fully depreciated in the year of purchase.

3.6.2 Amortisation of intangible assets and Impairment of Goodwill

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The management has determined its estimate of useful economic life as five years. Customer relationship is amortised over a period of 10 years. The useful lives of intangible assets are reviewed at each financial year and adjusted.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

3.7 Impairment of non–financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.8 Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.9 Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised. A contingent asset is disclosed, where an inflow of economic benefits is probable.

3.10 Retirement and other employee benefits

3.10.1 Defined contribution plan

Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Group has no obligation, other than the contribution payable to the respective funds. The Group recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

3.10.2 Defined benefit plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Gains or losses through remeasurements of net benefit liabilities/ assets are recognised with corresponding charge/credit to the retained earnings through other comprehensive income in the period in which they occur.

3.10.3 Other employee benefits

The Group treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

3.11 Taxes

3.11.1 Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

3.11.2 Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Share based payments

Equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 38.

The cost of equity-settled transactions is measured using the fair value method and recognised, together with a corresponding increase in the "Share options outstanding account" in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

3.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.14.1 Financial Assets

3.14.1.1 Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

3.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Loans at amortised cost
- Loans at fair value through other comprehensive income (FVTOCI)
- Investments in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

3.14.1.3 Loans at amortised costs

Loans are measured at the amortised cost if both the following conditions are met:

(a) Such loan is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.14.1.4 Loans at fair value through other comprehensive income (FVTOCI)

Loans are classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

- The asset's contractual cash flows represent SPPI.

Loans included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is recognised as interest income using the EIR method.

3.14.1.5 Investment in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

3.14.2 Financial Liabilities

3.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as such on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

3.14.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.14.3 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line.

3.14.4 De-recognition of financial assets and liabilities

3.14.4.1 De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Group also de-recognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Group has transferred the financial asset if, and only if, either:
- It has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:

- The Group has transferred substantially all the risks and rewards of the asset

or

- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss account.

3.14.4.2 De-recognition of financial liabilities

Financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.15 Impairment of financial assets

3.15.1 Overview of the Expected Credit Loss (ECL) allowance principles

The Group is recording the allowance for expected credit losses for all loans at amortised cost and FVOCI and other debt financial assets not held at FVTPL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined in Note 3.15.2). The Group's policies for determining if there has been a significant increase in credit risk are set out in Note 41.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis for identified homogenous pool of loans. The Compnay's policy for grouping financial assets measured on a collective basis is explained in Note 41.

Accordingly, the Holding Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs.

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Stage 3: Loans considered credit-impaired (as outlined in Note 41). The Group records an allowance for the LTECLs.

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) de-recognition of the financial asset.

3.15.2 The calculation of ECL

The Group calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

ECL consists of three key components: Probability of Default (PD), Exposure at Default (EAD) and Loss given default (LGD). ECL is calculated by multiplying them. Refer Note 41 for explanation of the relevant terms.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Group recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

3.16 Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss account.

3.17 Hedge accounting

The Group enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Group does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

Here, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'.

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item.

The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

3.18 Fair value measurement

The Group measures certain financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantegeous market must be accessible by the Group.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured are categorised with fair value hierachy into Level I, Level II and Level III based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

• Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

• Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 - Unobservable inputs for the asset or liability.

3.19 Segment information

The Group operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Group operates in a single geographical segment i.e. domestic.

3.20 Business combination

3.20.1 Business combinations under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The Group accounts for business combinations under common control as per the pooling of interest method. The pooling of interest method involves the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial Information, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(iv) The identity of the reserves are preserved and appear in the financial statements of the transferee in same form in which they appeared in the financial statements of the transferor.

3.20.2 Other business combinations

The Group uses the acquisition method of accounting to account for business combinations other than those under common control. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Any goodwill that arises on account of such business combination is tested annually for impairment. Any contingent consideration is measured at fair value at the date of acquisition. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Group incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

3.21 Foreign currency

3.21.1 All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

3.21.2 Foreign currency monetary items are reported using the exchange rate prevailing at the close of the period.

3.21.3 Exchange differences arising on the settlement of monetary items or on the restatement of Group's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

3.22 Leases (where the Group is the lessee)

Short term leases not covered under Ind AS 116 are classified as operating lease. Lease payments during the year are charged to statement of profit and loss. Future minimum rentals payable under non-cancellable operating leases.

The Group as a lessee

The Group's lease asset classes primarily consist of leases for office premises and servers. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset; (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

3.23 Investments

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income (FVTOCI). All other investments are classified and measured as FVTPL only.

3.24 Recent Accounting pronouncements

3.24.1 Key New and amended standards adopted by the Group

(a) Ind AS 16, Property Plant and Equipment; Proceeds before intended use of property, plant and equipment

The amendment clarifies that an entity shall not deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

(b) Ind AS 37, Provisions, contingent Liabilities and contingent Assets; Onerous contracts - Cost of fulfilling a contract

The amendment explains that the cost of fulfilling a contract comprises; the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

(c) Ind AS 109, Financial instruments; Fees Included in the 10% test for derecognition of financial Liabilities.

The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, Including fees paid or received by either the entity or the lender on the other's behalf.

3.24.2 Key Amendments applicable from next Financial year

Disclosure of Accounting Policies-Amendments to lnd AS 1, Presentation of financial statements

The amendment requires entities to disclose their material rather than their significant accounting policies. The amendments define what is material accounfing policy information and explain how to identity when accounting policy information is material.They further clarify that immaterial accounting policy information does not need to be disclosed. if it is disclosed, it should not obscure material accounting information.

Definition of Accounting Estimates-Amendments to Ind AS 8. Accounting policies, changes in accounting estimates and errors

The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the curent period.

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Deferred tax related to assets and liabilities transaction Amendments to Ind AS 12. income taxes

The amendment requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and liabilities at the beginning of the eartiest comparative period for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities, and decommissioning. restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings or another component of equity,as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable.

The Group does not expect any of these amendments to have any material effect on the financial statements.

4 Cash and cash equivalents

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Cash in hand	12.43	7.58	8.24
Balances with Banks in current accounts	211.02	100.40	217.03
Bank deposit with maturity of less than 3 months	1,117.96	1,472.57	2,134.82
Total	**1,341.41**	**1,580.55**	**2,360.09**

5 Bank balance other than cash and cash equivalents

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Fixed deposit with bank not considered as cash and cash equivalents*	95.02	180.84	124.29
Total	**95.02**	**180.84**	**124.29**

*Balances with banks to the extent held as margin money or security against the borrowings.

6 Loans $

₹ in crore

Particulars	March 31, 2023			March 31, 2022			March 31, 2021		
	Amortised cost	At fair value through OCI #	Total	Amortised cost	At fair value through OCI #	Total	Amortised cost	At fair value through OCI	Total
(A) Term loans:									
Group lending **	19,224.27	-	19,224.27	3,547.06	11,555.32	15,102.38	2,650.95	9,275.37	11,926.32
Individual loans	166.92	-	166.92	196.81	-	196.81	416.79	-	416.79
Total - Gross	**19,391.19**	**-**	**19,391.19**	**3,743.87**	**11,555.32**	**15,299.19**	**3,067.74**	**9,275.37**	**12,343.11**
Less: Impairment loss allowance	347.85	-	347.85	224.60	309.26	533.86	240.59	382.04	622.63
Total - Net*	**19,043.34**	**-**	**19,043.34**	**3,519.27**	**11,246.06**	**14,765.33**	**2,827.15**	**8,893.33**	**11,720.48**
(B) (a) Secured by tangible assets:	60.21	-	60.21	9.24	-	9.24	6.34	-	6.34
(b) Unsecured	19,330.98	-	19,330.98	3,734.63	11,555.32	15,289.95	3,061.40	9,275.37	12,336.77
Total - Gross	**19,391.19**	**-**	**19,391.19**	**3,743.87**	**11,555.32**	**15,299.19**	**3,067.74**	**9,275.37**	**12,343.11**
Less: Impairment loss allowance	347.85	-	347.85	224.60	309.26	533.86	240.59	382.04	622.63
Total - Net*	**19,043.34**	**-**	**19,043.34**	**3,519.27**	**11,246.06**	**14,765.33**	**2,827.15**	**8,893.33**	**11,720.48**
(C) (I) Loans in India									
(a) Public sector									
(b) Others	19,391.19	-	19,391.19	3,743.87	11,555.32	15,299.19	3,067.74	9,275.37	12,343.11
Total - Gross	**19,391.19**	**-**	**19,391.19**	**3,743.87**	**11,555.32**	**15,299.19**	**3,067.74**	**9,275.37**	**12,343.11**
Less: Impairment loss allowance	347.85	-	347.85	224.60	309.26	533.86	240.59	382.04	622.63
Total - Net*	**19,043.34**	**-**	**19,043.34**	**3,519.27**	**11,246.06**	**14,765.33**	**2,827.15**	**8,893.33**	**11,720.48**
(D) (II) Loans outside India	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-
Total - Net*	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

*Includes fair value of loans designated at FVOCI.

** Group Lending includes both Joint Liability Loans and Self Help Group Loans including securitized assets.

During the year, the Group had reassessed its business model and concluded that Income Generating Loans (IGL) are primarily intended to collect contractual cash flows being solely payments of principal and interest on the principal amount outstanding. Accordingly, as required under Ind AS 109, IGL loans portfolio which were earlier classified as and valued at "Fair Value through other Comprehensive Income" have now been classified as and valued at "Amortised cost" with effect from July 01, 2022. Consequently, the Group has reversed accumulated fair value loss on such IGL loans and related deferred tax in other equity on July 01, 2022.

$ The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013),either severally or jointly with any other person that are - (a) repayable on demand or (b) without specifying any terms or period of repayment.

6(A) Group lending loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances (including loans measured at FVTOCI) in relation to Group lending loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2022	**14,402.74**	**180.67**	**518.97**	**15,102.38**
(a) New assets originated or purchased	18,281.23	-	-	18,281.23
(b) Asset derecognised or repaid (Excluding write offs) #	(13,443.55)	(75.29)	(91.55)	(13,610.39)
Assets written off during the year	-	-	(548.95)	(548.95)
Movement between stages				
Transfer from Stage 1	(371.14)	179.19	191.95	-
Transfer from Stage 2	50.95	(243.85)	192.90	-
Transfer from Stage 3	31.11	2.16	(33.27)	-
Gross carrying value of assets as at March 31, 2023	**18,951.34**	**42.88**	**230.05**	**19,224.27**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2022	**113.60**	**53.39**	**324.55**	**491.54**
(a) New assets originated or purchased	148.42	-	-	148.42
(b) Asset derecognised or repaid (Excluding write offs) #	(107.72)	(29.20)	(61.46)	(198.38)
Assets written off during the year			(548.95)	(548.95)
Movement between stages				
Transfer from Stage 1	(3.20)	1.47	1.73	-
Transfer from Stage 2	26.82	(122.69)	95.86	-
Transfer from Stage 3	22.51	1.55	(24.06)	-
Impact on ECL on account of movement between stages	(46.39)	116.17	375.95	445.73
ECL allowance as at March 31, 2023	**154.04**	**20.69**	**163.62**	**338.36**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2021	**11,200.06**	**210.24**	**516.02**	**11,926.32**
(a) New assets originated or purchased	15,399.29	-	-	15,399.29
(b) Asset derecognised or repaid (Excluding write offs) #	(10,573.38)	(574.38)	(424.64)	(11,572.40)
Assets written off during the year	-	-	(650.83)	(650.83)
Movement between stages				
Transfer from Stage 1	(2,153.68)	1,474.02	679.66	-
Transfer from Stage 2	468.10	(1,003.41)	535.31	-
Transfer from Stage 3	62.35	74.20	(136.55)	-
Gross carrying value of assets as at March 31, 2022	**14,402.74**	**180.67**	**518.97**	**15,102.38**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2021	**182.03**	**41.92**	**347.54**	**571.49**
(a) New assets originated or purchased	110.80	-	-	110.80
(b) Asset derecognised or repaid (Excluding write offs) #	(127.63)	(139.93)	(287.71)	(555.27)
Assets written off during the year	-	-	(650.83)	(650.83)
Movement between stages				
Transfer from Stage 1	(15.28)	10.15	5.13	-
Transfer from Stage 2	200.07	(411.00)	210.93	-
Transfer from Stage 3	46.76	55.66	(102.42)	-
Impact on ECL on account of movement between stages	(283.15)	496.59	801.91	1,015.35
ECL allowance as at March 31, 2022 *	**113.60**	**53.39**	**324.55**	**491.54**

Represents balancing figure.
* Includes ECL allowance created on loan assets measured through other comprehensive income of ₹ 309.26 crore.

6(B) Individual lending

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Individual lending loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2022	**151.99**	**5.14**	**39.68**	**196.81**
(a) New assets originated or purchased	143.06	-	-	143.06
(b) Asset derecognised or repaid (Excluding write offs) #	(126.90)	(1.79)	(6.24)	(134.93)
Assets written off during the year	-	-	(38.02)	(38.02)
Movement between stages				
Transfer from Stage 1	(8.72)	6.27	2.45	-
Transfer from Stage 2	0.20	(9.19)	8.99	-
Transfer from Stage 3	0.31	0.21	(0.52)	-
Gross carrying value of assets as at March 31, 2023	**159.94**	**0.64**	**6.34**	**166.92**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2022	**3.04**	**2.53**	**36.75**	**42.32**
(a) New assets originated or purchased	2.91	-	-	2.91
(b) Asset derecognised or repaid (Excluding write offs) #	(2.56)	(0.89)	(5.80)	(9.25)
Assets written off during the year	–	–	(38.02)	(38.02)
Movement between stages				
Transfer from Stage 1	(0.17)	0.13	0.05	-
Transfer from Stage 2	0.10	(4.60)	4.50	-
Transfer from Stage 3	0.29	0.20	(0.49)	-
Impact on ECL on account of movement between stages	(0.36)	2.96	8.94	11.54
ECL allowance as at March 31, 2023	**3.24**	**0.32**	**5.93**	**9.49**

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2021	**371.50**	**12.63**	**32.67**	**416.79**
(a) New assets originated or purchased	72.81	-	-	72.81
(b) Asset derecognised or repaid (Excluding write offs) #	(228.63)	(19.22)	(10.24)	(258.09)
Assets written off during the year	-	-	(34.71)	(34.71)
Movement between stages				
Transfer from Stage 1	(84.58)	77.88	6.70	-
Transfer from Stage 2	20.34	(75.98)	55.64	-
Transfer from Stage 3	0.55	9.83	(10.38)	-
Gross carrying value of assets as at March 31, 2022	**151.99**	**5.14**	**39.68**	**196.81**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2021	**12.41**	**6.17**	**32.57**	**51.15**
(a) New assets originated or purchased	1.47	-	-	1.47
(b) Asset derecognised or repaid (Excluding write offs) #	(6.14)	(9.34)	(9.59)	(25.07)
Assets written off during the year	-	-	(34.70)	(34.70)
Movement between stages				
Transfer from Stage 1	(1.67)	1.53	0.14	-
Transfer from Stage 2	10.16	(37.42)	27.26	-
Transfer from Stage 3	0.56	9.83	(10.39)	-
Impact on ECL on account of movement between stages	(13.75)	31.76	31.46	49.47
ECL allowance as at March 31, 2022	**3.04**	**2.53**	**36.75**	**42.32**

Represents balancing figure.

7 Investments*

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Investments in fully paid equity shares			
Unquoted			
At fair value through profit and loss			
(a) Alpha Microfinance Consultants Private Ltd	0.54	0.54	0.54
(b) Investment in Government Securities	453.98	-	-
Total	**454.52**	**0.54**	**0.54**

* All Investment in Note 7 above are within India.

Madura Micro Education Private Limited (One of the subsidiary company) does not have any operations or business activity post March 31, 2021. The subsidiary company has been struck-off by the Office of the Registrar of Companies, Tamil Nadu vide its Public Notice No.ROC/Chn/S.248 (2)/303/2022/5 dated October 31, 2022, as per the application filed by MMEPL.

8 Other financial assets

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Receivable from assignment of portfolio (unsecured, considered good)	104.44	78.67	105.47
Security deposits (unsecured, considered good)*	14.13	12.95	11.73
Loans and advances to employees (unsecured, considered good)	14.42	15.20	8.02
Other financial assets			
Unsecured, considered good	16.60	11.66	7.09
Unsecured, considered doubtful	0.50	1.53	0.39
Less: Provision for doubtful advances	(0.50)	(1.53)	(0.39)
Total	**149.59**	**118.48**	**132.31**

* Includes an amount of ₹ 0.06 crore (Previous year ₹ 0.06 crore) paid under protest towards PF Notice (Refer Note.34)

9 Other non-financial assets

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Prepaid expenses	13.14	7.41	5.46
Advances to employees	0.03	0.23	0.15
Capital Advance	-	-	1.17
Other advances			
Unsecured, considered good	5.96	2.77	6.43
Unsecured, considered doubtful	2.28	1.21	0.98
Less: Provision for doubtful advances	(2.28)	(1.21)	(0.98)
Total	**19.13**	**10.41**	**13.21**

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10 (A)

₹ in crore

Particulars	Property, plant and equipment									Right of use assets			Intangible assets		
	Computer	Electrical Equipment	Furniture & Fixtures	Leasehold Improve-ment	Office equipment	Vehicles	Freehold land	Buildings	Total	Buildings	Computer	Total	Computer software	Customer relation-ship	Total
Cost:															
At March 31, 2021	**17.44**	**0.91**	**10.57**	**9.24**	**17.99**	**0.63**	**0.17**	**0.21**	**57.16**	**24.43**	**62.73**	**87.16**	**33.72**	**162.82**	**196.54**
Additions	4.48	0.19	3.19	0.68	5.75	0.25	5.64	-	**20.18**	0.88	19.06	**19.94**	5.25	-	**5.25**
Disposals	(0.66)	(0.02)	(0.06)	-	(0.54)	-	-	-	**(1.28)**	(1.06)	-	**(1.06)**	-	-	**-**
At March 31, 2022	**21.26**	**1.08**	**13.70**	**9.92**	**23.20**	**0.88**	**5.81**	**0.21**	**76.06**	**24.25**	**81.79**	**106.04**	**38.97**	**162.82**	**201.79**
Additions	5.25	0.20	2.65	0.67	4.71	0.29	-	-	**13.77**	4.97	-	**4.97**	2.74	-	**2.74**
Disposals	(0.02)	(0.02)	(0.05)	-	(0.96)	(0.20)	-	-	**(1.25)**	-	(1.61)	**(1.61)**	(0.66)	-	**(0.66)**
At March 31, 2023	**26.49**	**1.26**	**16.30**	**10.59**	**26.95**	**0.97**	**5.81**	**0.21**	**88.58**	**29.22**	**80.18**	**109.40**	**41.05**	**162.82**	**203.87**
Depreciation/Amortisation:															
At March 31, 2021	**11.65**	**0.71**	**6.11**	**5.26**	**8.80**	**0.47**	**-**	**0.01**	**33.00**	**8.17**	**11.49**	**19.66**	**16.05**	**16.95**	**33.00**
Depreciation/ Amortisation charge for the year	4.40	0.20	2.02	1.42	4.28	0.08	-	0.01	**12.41**	4.78	7.90	**12.68**	5.77	16.37	**22.14**
Disposals	(0.65)	(0.01)	(0.05)	-	(0.45)	-	-	-	**(1.16)**	(1.06)	-	**(1.06)**	-	-	**-**
At March 31, 2022	**15.40**	**0.90**	**8.08**	**6.68**	**12.63**	**0.55**	**-**	**0.02**	**44.25**	**11.89**	**19.39**	**31.28**	**21.82**	**33.32**	**55.14**
Depreciation/Amortisation charge for the year	3.99	0.24	1.56	1.34	6.14	0.10	-	0.01	**13.38**	4.35	9.24	**13.59**	6.45	16.42	**22.87**
Disposals	(0.02)	(0.01)	(0.05)	-	(0.85)	(0.20)	-	-	**(1.13)**	-	(0.22)	**(0.22)**	(0.66)	-	**(0.66)**
At March 31, 2023	**19.37**	**1.13**	**9.59**	**8.02**	**17.92**	**0.45**	**-**	**0.03**	**56.50**	**16.24**	**28.41**	**44.65**	**27.61**	**49.74**	**77.35**
Net book value:															
At March 31, 2021	**5.79**	**0.20**	**4.47**	**3.98**	**9.19**	**0.16**	**0.17**	**0.20**	**24.16**	**16.26**	**51.24**	**67.50**	**17.67**	**145.87**	**163.54**
At March 31, 2022	**5.86**	**0.18**	**5.62**	**3.24**	**10.57**	**0.33**	**5.81**	**0.19**	**31.80**	**12.36**	**62.41**	**74.76**	**17.15**	**129.50**	**146.65**
At March 31, 2023	**7.12**	**0.13**	**6.71**	**2.57**	**9.03**	**0.52**	**5.81**	**0.18**	**32.08**	**12.98**	**51.77**	**64.75**	**13.44**	**113.08**	**126.52**

Note:
(i) There were no change due to revaluation and changes due to impairment losses in current and previous years. The Holding Company acquired the assets on account of Merger w.e.f April 1 ,2020.
(ii) There are no immovable properties whose title deed are not held in name of the Group or are jointly held with others.

10 (B) **(a) Intangible assets under development**

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Opening	**3.07**	**0.62**
Additions during the year	2.86	3.84
Less: Capitalised during the year	(1.99)	(1.39)
Closing	**3.94**	**3.07**

(b) (i) Intangible assets under development aging schedule as at 31 March 2023*

Particulars	Amount in Intangible assets under development for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**1.89**	**2.05**	**-**	**-**

*There was no Project which was temporarily suspended as at March 31, 2023.

(b) (ii) Intangible assets under development aging schedule as at 31 March 2022*

Particulars	Amount in Intangible assets under development for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**2.64**	**0.43**	**-**	**-**

*There was no Project which was temporarily suspended as at March 31, 2022.

(b) (iii) Intangible assets under development aging schedule as at 31 March 2021*

Particulars	Amount in Intangible assets under development for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**0.62**	**-**	**-**	**-**

*There was no Project which was temporarily suspended as at March 31, 2021.

11 Derivative financial instruments

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Part I			
(i) Cross currency interest rate swap derivatives: #			
Fair value liability			
Cross currency interest rate swaps	-	1.66	-
Total	**-**	**1.66**	**-**
Part II **(i) Cross currency interest rate swap derivatives: #**			
Fair value Assets			
Cross currency interest rate swaps	31.63	-	-
Total	**31.63**	**-**	**-**
Part III Included in above (Part I and Part II) are derivatives held for hedging and risk management purposes as follows:			
(i) Cash flow hedging:			
Fair value liability			
Cross currency interest rate swaps	-	(1.66)	-
Fair value Assets			
Cross currency interest rate swaps	31.63	-	-
Total	**31.63**	**(1.66)**	**-**

Notional amounts of Cross currency interest rate swaps of ₹ 1,575.32 crore (March 31, 2022 : ₹ 111.75 crore).

12 Payables

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises (refer Note below)	0.10	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	43.95	34.78	22.05
Total	**44.05**	**34.78**	**22.05**
Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises (refer Note below)	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	259.65	224.24	179.64
Total	**259.65**	**224.03**	**179.65**
Total Payable	**303.70**	**259.02**	**201.69**

Note:
(A) Dues to micro enterprises and small enterprises:

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.10	-	-
(ii) the amount of interest paid by the Group in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	0.00	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year;	0.00	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-

(B) Trade Payables aging schedule*
(i) As at March 31, 2023

₹ in crore

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	**0.10**	**-**	**-**	**-**	**0.10**
(ii) Others	**43.95**	**-**	**-**	**-**	**43.95**

*There were no Disputed payable as at March 31, 2023.

(ii) As at March 31, 2022

₹ in crore

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	**-**	**-**	**-**	**-**	**-**
(ii) Others	**34.74**	**0.04**	**-**	**-**	**34.78**

*There were no Disputed payable as at March 31, 2022.

(iii) As at March 31, 2021

₹ in crore

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	**-**	**-**	**-**	**-**	**-**
(ii) Others	**22.05**	**-**	**-**	**-**	**22.05**

*There were no Disputed payable as at March 31, 2021.

13 Debt securities (at amortised cost)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Debentures (secured)	1,672.35	1,418.10	1,659.94
Debentures (unsecured)	-	-	15.01
Total	**1,672.35**	**1,418.10**	**1,674.95**
Debt securities in India	1,672.35	1,418.10	1,674.95
Debt securities outside India		-	-
Total	**1,672.35**	**1,418.10**	**1,674.95**

Nature of security

The above debentures are secured by the way of first and exclusive charge over eligible specified book debts of the Group.

Debentures (secured) (at amortised cost)

Terms of debentures	Number of debentures			Face value	Amount ₹ in crore		
	March 31, 2023	March 31, 2022	March 31, 2021		March 31, 2023	March 31, 2022	March 31, 2021
11.68% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable at par at the end of six years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. September 28, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	195	195	195	1,000,000	19.51	19.50	19.48
11.48% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable at par at the end of six years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. September 28, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	195	195	195	1,000,000	19.51	19.49	19.47
11.11% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Three years from the date of allotment i.e. February 27, 2020.	-	800	800	1,000,000	-	80.52	80.33
11.60% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Five years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. July 31, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	-	1,000	1,000	1,000,000	-	100.94	100.95
10.34% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after five years from the date of allotment i.e. May 31, 2017.	-	459	905	1,000,000	-	47.39	93.19
9.50% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Five years from the date of allotment i.e. November 8, 2019.	2,140	2,140	2,140	1,000,000	221.07	220.19	219.39
10.50% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Thirty Four months from the date of allotment i.e. June 29, 2020.	240	725	1,208	1,000,000	24.27	74.29	123.74
9.81% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Three years from the date of allotment i.e. July 31, 2020.	84	167	250	1,000,000	8.46	16.89	25.31
10.00% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Three years from the date of allotment i.e. June 26, 2020.	500	500	500	1,000,000	53.74	53.62	53.52

Debentures (secured) (at amortised cost) (continued)

10.05% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Three years from the date of allotment i.e. July 3, 2020.	300	300	300	1,000,000	32.20	32.15	32.10
9.95% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Thirty Four Months from the date of allotment i.e. July 27, 2020.	1,000	1,000	1,000	1,000,000	106.72	106.64	106.57
10.20% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Thirty Seven months from the date of allotment i.e. March 13, 2020.	-	170	170	1,000,000	-	16.97	16.94
9.25% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Eighteen months from the date of allotment i.e. August 14, 2020.	-	-	500	1,000,000	-	-	52.84
9.25% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Eighteen months from the date of allotment i.e. August 14, 2020.	-	-	360	1,000,000	-	-	37.98
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Eighteen months from the date of allotment i.e. September 23, 2020.	-	-	500	1,000,000	-	-	49.93
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Eighteen months from the date of allotment i.e. September 23, 2020.	-	-	500	1,000,000	-	-	49.97
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Eighteen months from the date of allotment i.e. October 20, 2020.	-	1,000	1,000	1,000,000	-	104.04	103.73
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Eighteen months from the date of allotment i.e. November 11, 2020.	-	250	250	1,000,000	-	25.88	25.80
9.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Eighteen months from the date of allotment i.e. December 10, 2020.	-	250	1,000	1,000,000	-	25.12	100.35
9.00% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Two years from the date of allotment i.e. March 25, 2021.	-	500	500	1,000,000	-	54.13	49.55
10.42% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Three years from the date of allotment i.e. March 31, 2021.	1,450	1,450	1,450	1,000,000	144.96	144.93	144.90
8.56% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Two years and Five days from the date of allotment i.e. August 31, 2021.	1,000	1,000	-	1,000,000	113.12	104.11	-
9.90% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Three years and Fifteen days from the date of allotment i.e. April 30, 2021.	710	710	-	1,000,000	70.96	70.92	-
9.70% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Three years from the date of allotment i.e. March 11, 2022.	552	552	-	1,000,000	55.13	55.09	-

Debentures (secured) (at amortised cost) (continued)

8.45% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Two years and Three months from the date of allotment i.e. September 27, 2022.	600	-	-	1,000,000	61.86	-	-
10.15% Secured Redeemable Non-convertible Debentures of face value of ₹1,000,000 each redeemable after Four years from the date of allotment i.e. November 18, 2022.	2,400	-	-	1,000,000	246.50	-	-
9.45% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after Two years from the date of allotment i.e. November 23, 2022.	1,853,133	-	-	1,000	182.81	-	-
9.83% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after Two years from the date of allotment i.e. November 23, 2022.	250,620	-	-	1,000	25.50	-	-
9.60% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after Three years from the date of allotment i.e. November 23, 2022.	2,124,936	-	-	1,000	209.40	-	-
10.02% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after Three years from the date of allotment i.e. November 23, 2022.	133,912	-	-	1,000	13.62	-	-
10.00% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after Five years from the date of allotment i.e. November 23, 2022.	554,955	-	-	1,000	54.64	-	-
10.46% Secured Redeemable Non-convertible Debentures of face value of ₹1,000 each redeemable after Five years from the date of allotment i.e. November 23, 2022.	82,444	-	-	1,000	8.37	-	-
10.11% Non-convertible Debentures - Privately placed, Listed. Secured by hypothecation of loans granted to Self Help Groups. The maturity date of the Debentures is June 30, 2022, redeemable in four equal instillments on October 04, 2021, December 31, 2021, March 31, 2022 and balance to be redeemed on June 30, 2022	-	250	250	1,000,000	-	6.25	25.00
10.50% Non-convertible Debentures - Privately placed, Listed Secured by exclusive charge on loans created out of the proceeds of the debentures. The NCD is redeemable in one bullet payment redeemed on February 17, 2022	-	-	500	1,000,000	-	-	53.26
11.00% Non-Convertible Debentures - Privately placed, unlisted Secured by exclusive charge on the loans created out of the proceeds of the debentures and immovable properties. 99.99% of the principal amount of the NCD is redeemable on May 13, 2021 and balance on May 13, 2023 **	-	-	360	1,000,000	-	-	37.46
9.80% Non-convertible Debentures - Privately placed, Unlisted. Secured by hypothecation of loans granted to Self Help Groups. The maturity date of the Debentures is April 23, 2024, with 99.99% redeemable on April 23, 2024 and balance to be redeemed on April 23, 2024**.	-	3,750	3,750	100,000	-	38.57	38.12
Total *	**5,011,366**	**17,363**	**19,583**		**1,672.35**	**1,417.63**	**1,659.88**

* The above excludes the impact of fair valuation of debt securities on acquisition.
** The balance 0.01% was prepaid on January 31, 2022

Debentures (unsecured) at amortised cost

Terms of debentures	Number of debentures			Face value (in ₹)	Amount (₹ in crores)		
	March 31, 2023	March 31, 2022	March 31, 2021		March 31, 2023	March 31, 2022	March 31, 2021
13.00% Non-Convertible Debentures - Privately placed, listed, unsecured. The NCD is redeemable on 16-Aug-2021.	-	-	150	1,000,000	-	-	15.01

Note: The rates mentioned above are the original coupons rates as per the individual contracts.

14 Borrowings other than debt securities (at amortised cost)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Term loans (secured)			
Banks	10,740.33	8,697.44	6,256.24
Financials institutions	1,525.75	2,043.43	2,132.53
Non-banking financial companies	597.47	457.46	368.67
External commercial borrowings	1,473.77	93.74	225.51
Term loans (unsecured)			
External commercial borrowings	125.88	116.08	-
Non banking financial companies	-	16.70	171.56
Collateralised borrowings from Banks (Refer Note 33) (arising on account of securitisation)	98.80	-	9.17
Total	**14,562.00**	**11,424.85**	**9,163.68**
Borrowings in India	12,962.35	11,215.03	8,938.17
Borrowings outside India	1,599.65	209.82	225.51
Total	**14,562.00**	**11,424.85**	**9,163.68**

Note:
(1) The term loans are covered by unsecured microfinance loans to the extent of minimum 100% of outstanding. Further in respect of borrowings (including Debentures) drawn during quarter 4 of FY 2022-23 aggregating to ₹1694.44 crore (Quarter 4 of Previous year ₹1019.70 crore), the Group will assign the book debts in due course as per the sanction terms. The borrowings have not been guaranteed by directors or others.

(2) Term loans availed during the year were applied for the purposes for which the loans were obtained, other than temporary deployment pending application.

14.1 Delay in repayment

There were no delay in repayment of borrowings as at March 31, 2023, March 31, 2022 and March 31, 2021.

15 Subordinated liabilities (at amortised cost)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Unsecured:			
Term Loan	25.26	25.57	50.26
Debentures	52.65	52.17	52.44
Total	**77.91**	**77.74**	**102.70**
Subordinated Liabilities in India	77.91	77.74	102.70
Subordinated Liabilities outside India	-	-	-
Total	**77.91**	**77.74**	**102.70**

Terms of repayment of borrowings as on March 31, 2023

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
				No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	
Debentures	Half Yearly	1-3 years	10.5%-11%	1	24.17	-	-	-	-	-	-	-	-	-	-	24.17
		Above 3 years	9.5%-10%	2	107.00	2	107.00	-	-	-	-	-	-	-	-	214.00
	Bullet	1-3 years	8%-8.5%	-	-	1	60.00	-	-	-	-	-	-	-	-	60.00
			8.5%-9%	1	100.00	-	-	-	-	-	-	-	-	-	-	100.00
			9%-9.5%	-	-	1	185.31	-	-	-	-	-	-	-	-	185.31
			9.5%-10%	2	108.33	2	80.26	1	212.49	-	-	-	-	-	-	401.08
			10%-10.5%	3	225.00	-	-	1	13.39	-	-	-	-	-	-	238.39
		Above 3 years	9.5%-10%	-	-	1	71.00	-	-	-	-	-	-	-	-	71.00
			10%-10.5%	-	-	-	-	-	-	-	-	2	63.74	-	-	63.74
			11%-11.5%	1	19.50	-	-	-	-	-	-	-	-	-	-	19.50
			11.5%-12%	1	19.50	-	-	-	-	-	-	-	-	-	-	19.50
			14%-14.5% $	-	-	1	50.00	-	-	-	-	-	-	-	-	50.00
	Annually	Above 3 years	10%-10.5%	-	-	-	-	1	48.00	1	192.00	-	-	-	-	240.00
Term loan banks	Monthly	1-3 years	7%-7.5%	4	3.64	-	-	-	-	-	-	-	-	-	-	3.64
			7.5%-8.0%	94	549.59	51	457.26	6	106.12	-	-	-	-	-	-	1,112.97
			8%-8.5%	126	228.43	46	30.28	-	-	-	-	-	-	-	-	258.71
			8.5%-9%	341	1,232.92	147	760.28	16	97.20	-	-	-	-	-	-	2,090.40
			9%-9.5%	651	1,964.95	427	1,563.56	112	360.19	-	-	-	-	-	-	3,888.70
			9.5%-10%	345	621.62	104	159.15	3	2.50	-	-	-	-	-	-	783.27
			10%-10.5%	198	277.85	56	89.46	3	1.82	-	-	-	-	-	-	369.13
			10.5%-11%	59	73.45	11	10.56	-	-	-	-	-	-	-	-	84.01
			11%-11.5%	34	37.77	2	2.06	-	-	-	-	-	-	-	-	39.83
			11.5%-12%	24	37.50	6	9.38	-	-	-	-	-	-	-	-	46.88
		Above 3 years	7.5%-8.0%	24	33.33	14	19.37	-	-	-	-	-	-	-	-	52.70
			8%-8.5%	6	29.09	-	-	-	-	-	-	-	-	-	-	29.09
			8.5%-9%	12	27.27	6	14	-	-	-	-	-	-	-	-	40.91
			9%-9.5%	35	51.96	17	23.04	9	6.25	-	-	-	-	-	-	81.25
			9.5%-10%	5	1.41	-	-	-	-	-	-	-	-	-	-	1.41
			10%-10.5%	19	20.60	12	10.91	3	2.73	-	-	-	-	-	-	34.24
			10.5%-11%	12	1.14	12	1.25	12	1.37	5	0.66	-	-	-	-	4.42
	Quarterly	1-3 years	7.5%-8%	8	45.00	6	27.50	1	2.50	-	-	-	-	-	-	75.00
			8%-8.5%	7	117.50	3	60.00	-	-	-	-	-	-	-	-	177.50
			8.5%-9%	12	98.67	12	99.35	2	18.10	-	-	-	-	-	-	216.12
			9%-9.5%	28	226.62	27	288.74	9	154.55	-	-	-	-	-	-	669.91
			9.5%-10.0%	27	89.72	21	78.47	1	8.75	-	-	-	-	-	-	176.94
			10.0%-10.5%	24	154.38	13	78.28	-	-	-	-	-	-	-	-	232.66
		Above 3 years	7.5%-8.0%	3	15.00	4	20.00	-	-	-	-	-	-	-	-	35.00
			9%-9.5%	7	63.64	8	72.73	-	-	-	-	-	-	-	-	136.37
	Half Yearly	1-3 years	10.0%-10.5%	2	20.00	-	-	-	-	-	-	-	-	-	-	20.00
	Bullet	1-3 years	8.5%-9.0%	-	-	1	12.50	-	-	-	-	-	-	-	-	12.50
			9.0%-9.5%	2	40.00	-	-	-	-	-	-	-	-	-	-	40.00
			10.0%-10.5%	1	27.50	-	-	-	-	-	-	-	-	-	-	27.50

Terms of repayment of borrowings as on March 31, 2023

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year: No. of install-ments	Due within 1 year: Amount (in Rupees)	Due between 1 to 2 Years: No. of install-ments	Due between 1 to 2 Years: Amount (in Rupees)	Due between 2 to 3 Years: No. of install-ments	Due between 2 to 3 Years: Amount (in Rupees)	Due between 3 to 4 Years: No. of install-ments	Due between 3 to 4 Years: Amount (in Rupees)	Due between 4 to 5 Years: No. of install-ments	Due between 4 to 5 Years: Amount (in Rupees)	Due between 5 to 6 Years: No. of install-ments	Due between 5 to 6 Years: Amount (in Rupees)	Total
Term loan from financial institutions	Monthly	1-3 years	9.0%-9.5%	7	117.25	8	132.75	-	-	-	-	-	-	-	-	250.00
			12.0%-12.5%	24	40.00	18	26.67	-	-	-	-	-	-	-	-	66.67
	Quarterly	1-3 years	7.0%-7.5%	4	100.00	4	100.00	3	75.00	-	-	-	-	-	-	275.00
		Above 3 years	9.5%-10.0%	12	145.20	12	99.00	12	55.20	5	32.60	-	-	-	-	332.00
			11.5%-12.0%	4	2.50	3	1.50	-	-	-	-	-	-	-	-	4.00
	Half Yearly	Above 3 years	11.5%-12%	16	409.15	6	180.00	-	-	-	-	-	-	-	-	589.15
Term loan from non-banking financial companies	Monthly	1-3 years	9%-9.5%	46	77.02	42	71.39	20	45.29	-	-	-	-	-	-	193.70
			9.5%-10%	43	57.47	25	37.11	20	30.72	-	-	-	-	-	-	125.30
			10%-10.5%	16	38.74	12	37.71	-	-	-	-	-	-	-	-	76.45
		Above 3 years	10.5%-11.0%	24	36.36	6	12.12	-	-	-	-	-	-	-	-	48.48
			10.0%-10.5%	22	15.24	23	16.79	-	-	-	-	-	-	-	-	32.03
	Quarterly	1-3 years	9%-9.5%	4	8.33	4	8.33	-	-	-	-	-	-	-	-	16.66
			9.5%-10%	7	26.25	6	26.67	4	21.67	1	5.42	-	-	-	-	80.01
			10.0%-10.5%	4	8.33	-	-	-	-	-	-	-	-	-	-	8.33
	Half Yearly	1-3 years	10.5%-11.0%	4	15.33	-	-	-	-	-	-	-	-	-	-	15.33
External commercial borrowings	Half Yearly	Above 3 years	9.0%-9.5%	-	-	1	32.70	2	65.39	2	65.39	-	-	-	-	163.48
			9.5%-10.0%	-	-	2	115.47	4	230.94	4	230.94	-	-	-	-	577.36
			10.0%-10.5%	-	-	2	44.70	2	44.70	1	22.35	-	-	-	-	111.75
			10.5%-11.0%	-	-	-	-	-	-	2	82.22	2	82.22	-	-	164.44
	Yearly	Above 3 years	9.5%-10.0%	-	-	-	-	1	38.79	1	38.79	1	77.58	-	-	155.16
	Bullet	1-3 years	9.5%-10.0%	-	-	-	-	1	199.38	-	-	-	-	-	-	199.38
		1-3 years	10.0%-10.5%	-	-	-	-	1	203.75	-	-	-	-	-	-	203.75
Sub-debt	Bullet	Above 3 years	14.5%-15%	-	-	-	-	1	12.50	1	12.50	-	-	-	-	25.00
Securitisation	Monthly	1-3 years	8.5%-9.0%	12	72.65	5	26.12	-	-	-	-	-	-	-	-	98.77
Grand Total				**2,370.00**	**7,863.87**	**1,193.00**	**5,410.37**	**251.00**	**2,059.29**	**23.00**	**682.87**	**5.00**	**223.54**	**-**	**-**	**16,239.94**

$ Sub-debt in the nature of Debentures.

Note: The above amount pertains to the principal outstanding only.

Terms of repayment of borrowings as on March 31, 2022

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year No. of install-ments	Due within 1 year Amount (in Rupees)	Due between 1 to 2 Years No. of install-ments	Due between 1 to 2 Years Amount (in Rupees)	Due between 2 to 3 Years No. of install-ments	Due between 2 to 3 Years Amount (in Rupees)	Due between 3 to 4 Years No. of install-ments	Due between 3 to 4 Years Amount (in Rupees)	Due between 4 to 5 Years No. of install-ments	Due between 4 to 5 Years Amount (in Rupees)	Due between 5 to 6 Years No. of install-ments	Due between 5 to 6 Years Amount (in Rupees)	Total
Debentures	Monthly	Above 3 years	9.50%-10.00%	1	37.50	-	-	-	-	-	-	-	-	-	-	37.50
	Quarterly	1-3 years	9%-9.5%	1	25.00	-	-	-	-	-	-	-	-	-	-	25.00
			10%-10.5%	1	6.25	-	-	-	-	-	-	-	-	-	-	6.25
	Half Yearly	1-3 years	10.5%-11%	2	48.33	1	24.17	-	-	-	-	-	-	-	-	72.50
		Above 3 years	9.5%-10%	-	-	2	107.00	2	107.00	-	-	-	-	-	-	214.00
	Bullet	1-3 years	8.5%-9%	-	-	1	100.00	-	-	-	-	-	-	-	-	100.00
			9%-9.5%	3	175.00	-	-	-	-	-	-	-	-	-	-	175.00
			9.5%-10%	1	8.33	2	108.34	-	-	-	-	-	-	-	-	116.67
			10%-10.5%	-	-	2	80.00	-	-	-	-	-	-	-	-	80.00
		Above 3 years	9.5%-10%	-	-	-	-	2	126.20	-	-	-	-	-	-	126.20
			10%-10.5%	1	17.00	1	145.00	-	-	-	-	-	-	-	-	162.00
			11%-11.5%	1	80.00	1	19.50	-	-	-	-	-	-	-	-	99.50
			11.5%-12%	1	100.00	1	19.50	-	-	-	-	-	-	-	-	119.50
			14%-14.5% $	-	-	1	50.00	-	-	-	-	-	-	-	-	50.00
	Annually	Above 3 years	10%-10.5%	1	45.90	-	-	-	-	-	-	-	-	-	-	45.90
Term loan banks	Monthly	1-3 years	5.5%-6.0%	9	16.88	-	-	-	-	-	-	-	-	-	-	16.88
			6.5%-7.0%	24	27.27	9	10.45	-	-	-	-	-	-	-	-	37.73
			7%-7.5%	56	183.42	46	138.86	11	26.47	-	-	-	-	-	-	348.75
			7.5%-8.0%	591	1,720.29	299	959.59	20	180.00	-	-	-	-	-	-	2,859.87
			8%-8.5%	285	713.72	197	554.13	62	175.10	-	-	-	-	-	-	1,442.96
			8.5%-9%	412	954.95	250	398.92	4	10.38	-	-	-	-	-	-	1,364.24
			9%-9.5%	212	472.63	107	245.00	7	11.88	-	-	-	-	-	-	729.51
			9.5%-10%	21	19.24	12	8.53	-	-	-	-	-	-	-	-	27.77
			10%-10.5%	26	46.75	-	-	-	-	-	-	-	-	-	-	46.75
			11%-11.5%	19	30.33	-	-	-	-	-	-	-	-	-	-	30.33
		Above 3 years	7%-7.5%	36	66.67	36	66.67	26	52.78	-	-	-	-	-	-	186.12
			7.5%-8.0%	24	33.33	24	33.33	16	22.22	-	-	-	-	-	-	88.89
			8%-8.5%	105	259.70	77	96.44	52	43.91	-	-	-	-	-	-	400.05
			8.5%- 9%	15	5.90	5	1.42	-	-	-	-	-	-	-	-	7.33
			9%-9.5%	24	4.45	18	3.13	12	1.25	12	1.37	5	0.63	-	-	10.84
			9.5%- 10%	12	18.22	-	-	-	-	-	-	-	-	-	-	18.22
			10%-10.5%	35	30.28	7	9.69	-	-	-	-	-	-	-	-	39.97
			10.5%-11%	15	34.57	-	-	-	-	-	-	-	-	-	-	34.57
	Quarterly	1-3 years	7.5%-7.75%	3	60.00	4	80.00	3	60.00	-	-	-	-	-	-	200.00
			8%-8.5%	4	50.00	3	37.50	-	-	-	-	-	-	-	-	87.50
			8.5%-9%	8	71.43	4	36.36	5	45.45	-	-	-	-	-	-	153.25
			9%-9.5%	12	27.05	8	14.55	3	5.45	-	-	-	-	-	-	47.05
		Above 3 years	6.5%-7.0%	4	20.00	4	20.00	4	20.00	-	-	-	-	-	-	60.00
			8.5%-9%	3	6.82	4	9.09	4	9.09	-	-	-	-	-	-	25.00
			9%-9.5%	6	54.55	8	72.73	8	72.73	-	-	-	-	-	-	200.00
	Half Yearly	1-3 years	9.5%-10%	2	20.00	2	20.00	-	-	-	-	-	-	-	-	40.00
	Bullet	1-3 years	7.5%-8.0%	3	82.50	1	27.50	-	-	-	-	-	-	-	-	110.00
			8.5%-9%	4	90.00	-	-	-	-	-	-	-	-	-	-	90.00

Terms of repayment of borrowings as on March 31, 2022

₹ in crore

Term loan from financial institutions	Monthly	1-3 years	6%-6.5%	24	108.50	-	-	-	-	-	-	-	-	-	-	108.50
		1-3 years	9.5%-10%	18	33.33	24	40.00	18	26.67	-	-	-	-	-	-	100.00
	Quarterly	Above 3 years	9%-9.5%	4	28.00	4	28.00	4	8.00	4	8.00	-	-	-	-	72.00
			9.5%-10%	8	140.80	8	117.20	8	91.00	8	47.20	5	32.60	-	-	428.80
			11.5%-12%	4	12.25	4	2.50	3	1.50	-	-	-	-	-	-	16.25
	Half Yearly	1-3 years	7%-7.5%	3	216.00	-	-	-	-	-	-	-	-	-	-	216.00
			10.5%-11%	2	82.49	-	-	-	-	-	-	-	-	-	-	82.49
		Above 3 years	10.5%-11%	8	12.30	-	-	-	-	-	-	-	-	-	-	12.30
			11.5%-12%	18	331.90	16	409.15	6	180.00	-	-	-	-	-	-	921.05
	Bullet	1-3 years	7%-7.5%	2	65.00	-	-	-	-	-	-	-	-	-	-	65.00
Term loan from non-banking financial companies	Monthly	1-3 years	8.5%-9%	32	76.96	16	42.06	12	37.71	-	-	-	-	-	-	156.74
			9%-9.5%	36	29.09	20	15.76	1	0.76	-	-	-	-	-	-	45.61
			9.5%-10%	16	25.82	4	15.33	-	-	-	-	-	-	-	-	41.16
			10%-10.5%	46	65.93	-	-	-	-	-	-	-	-	-	-	65.93
			11%-11.5%	3	4.21	-	-	-	-	-	-	-	-	-	-	4.21
		Above 3 years	9%-9.5%	36	42.56	36	44.05	26	27.85	-	-	-	-	-	-	114.45
	Quarterly	1-3 years	9%-9.5%	4	8.33	4	8.33	4	8.33	-	-	-	-	-	-	25.00
			10%-10.5%	4	8.33	4	8.33	-	-	-	-	-	-	-	-	16.67
			11.5%-12%	3	4.07	-	-	-	-	-	-	-	-	-	-	4.07
External commercial borrowings	Half Yearly	Above 3 years	10%-10.5%	-	-	-	-	2	44.70	2	44.70	2	22.35	-	-	111.75
	Bullet	1-3 years	11%-11.5%	1	93.44	-	-	-	-	-	-	-	-	-	-	93.44
Sub-debt	Bullet	Above 3 years	14.5%-15%	-	-	-	-	-	-	-	-	1	12.50	1	12.50	25.00
Grand Total				**2,255.00**	**7,053.60**	**1,277.00**	**4,228.11**	**325.00**	**1,396.43**	**26.00**	**101.27**	**12.00**	**68.08**	**1.00**	**12.50**	**12,860.00**

$ Sub-debt in the nature of Debentures.
Note: The above amount pertains to the principal outstanding only.

Terms of repayment of borrowings as on March 31, 2021

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year: No. of install-ments	Due within 1 year: Amount (in Rupees)	Due between 1 to 2 Years: No. of install-ments	Due between 1 to 2 Years: Amount (in Rupees)	Due between 2 to 3 Years: No. of install-ments	Due between 2 to 3 Years: Amount (in Rupees)	Due between 3 to 4 Years: No. of install-ments	Due between 3 to 4 Years: Amount (in Rupees)	Due between 4 to 5 Years: No. of install-ments	Due between 4 to 5 Years: Amount (in Rupees)	Due between 5 to 6 Years: No. of install-ments	Due between 5 to 6 Years: Amount (in Rupees)	Total
Debentures	Quarterly	1-3 years	10% - 10.5%	3	18.75	1	6.25	-	-	-	-	-	-	-	-	25.00
			9%-9.5%	3	75.00	1	25.00	-	-	-	-	-	-	-	-	100.00
	Half Yearly	1-3 years	10.5%-11%	2	48.33	2	48.33	1	24.17	-	-	-	-	-	-	120.83
		Above 3 years	9.5%-10%	-	-	-	-	2	107.00	2	107.00	-	-	-	-	214.00
	Bullet	1-3 years	9%-9.5%	4	186.00	3	175.00	-	-	-	-	-	-	-	-	361.00
			9.5%-10%	1	8.33	1	8.33	2	108.34	-	-	-	-	-	-	125.00
			10%-10.5%	1	50.00	-	-	2	80.00	-	-	-	-	-	-	130.00
			12.5% - 13%	1	15.00	-	-	-	-	-	-	-	-	-	-	15.00
		Above 3 years	9.5% - 10%	1	50.00	-	-	-	-	-	-	-	-	-	-	50.00
			10%-10.5%	-	-	1	17.00	1	145.00	-	-	-	-	-	-	162.00
			10.5% - 11%	2	36.00	-	-	-	-	-	-	-	-	-	-	36.00
			11%-11.5%	-	-	1	80.00	1	19.50	-	-	-	-	-	-	99.50
			11.5%-12%	-	-	1	100.00	1	19.50	-	-	-	-	-	-	119.50
	Annually	Above 3 years	10%-10.5%	1	44.55	1	45.90	-	-	-	-	-	-	-	-	90.45
Term loan banks	Monthly	1-3 years	7.5%-8.0%	292	1,061.25	179	532.48	-	-	-	-	-	-	-	-	1,593.73
			8%-8.5%	195	551.31	98	326.21	26	73.78	-	-	-	-	-	-	951.30
			8.5%-9%	162	480.03	58	119.19	-	-	-	-	-	-	-	-	599.22
			9%-9.5%	130	308.65	89	156.94	14	19.69	-	-	-	-	-	-	485.28
			9.5%-10%	13	7.27	12	5.00	12	5.00	-	-	-	-	-	-	17.27
			10% - 10.5%	52	87.02	23	43.18	-	-	-	-	-	-	-	-	130.20
			10.5% - 11%	62	67.58	3	3.57	-	-	-	-	-	-	-	-	71.15
			11% - 11.5%	52	74.62	19	30.33	-	-	-	-	-	-	-	-	104.95
		Above 3 years	8%-8.5%	24	116.67	24	116.67	6	29.16	-	-	-	-	-	-	262.50
			8.5%-9%	24	410.87	14	368.78	-	-	-	-	-	-	-	-	779.65
			9%-9.5%	22	11.00	24	12.51	17	10.33	-	-	-	-	-	-	33.84
			9.5%-10%	16	11.49	-	-	-	-	-	-	-	-	-	-	11.49
			10%-10.5%	66	49.57	48	42.27	11	10.80	-	-	-	-	-	-	102.64
			10.5% - 11%	36	20.42	11	9.57	-	-	-	-	-	-	-	-	29.99
			11% - 11.5%	19	6.17	-	-	-	-	-	-	-	-	-	-	6.17
			11.5% - 12%	24	56.52	14	34.36	-	-	-	-	-	-	-	-	90.88
	Quarterly	1-3 years	7.5%-8.0%	23	76.79	-	-	-	-	-	-	-	-	-	-	76.79
			8%-8.5%	14	59.00	-	-	-	-	-	-	-	-	-	-	59.00
			8.5%-9%	12	106.00	6	53.25	-	-	-	-	-	-	-	-	159.25
			9%-9.5%	2	16.25	-	-	-	-	-	-	-	-	-	-	16.25
			9.5% - 10%	4	12.50	-	-	-	-	-	-	-	-	-	-	12.50
			10% - 10.5%	2	12.50	-	-	-	-	-	-	-	-	-	-	12.50
			10.5% - 11%	3	28.57	-	-	-	-	-	-	-	-	-	-	28.57
		Above 3 years	10.5% - 11%	1	0.83	-	-	-	-	-	-	-	-	-	-	0.83
	Half Yearly	1-3 years	7.5%-8.0%	4	70.00	-	-	-	-	-	-	-	-	-	-	70.00
			8%-8.5%	4	74.16	-	-	-	-	-	-	-	-	-	-	74.16
			9.5%-10%	1	10.00	2	20.00	2	20.00	-	-	-	-	-	-	50.00
	Bullet	1-3 years	7.5%-8.0%	12	250.00	-	-	-	-	-	-	-	-	-	-	250.00
			7%-7.5%	-	-	2	32.50	-	-	-	-	-	-	-	-	32.50
			6.5%-7%	1	17.50	-	-	-	-	-	-	-	-	-	-	17.50
			8.5% - 9%	2	60.00	-	-	-	-	-	-	-	-	-	-	60.00
			9.5% - 10%	2	80.00	-	-	-	-	-	-	-	-	-	-	80.00

Terms of repayment of borrowings as on March 31, 2021

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year: No. of install-ments	Due within 1 year: Amount (in Rupees)	Due between 1 to 2 Years: No. of install-ments	Due between 1 to 2 Years: Amount (in Rupees)	Due between 2 to 3 Years: No. of install-ments	Due between 2 to 3 Years: Amount (in Rupees)	Due between 3 to 4 Years: No. of install-ments	Due between 3 to 4 Years: Amount (in Rupees)	Due between 4 to 5 Years: No. of install-ments	Due between 4 to 5 Years: Amount (in Rupees)	Due between 5 to 6 Years: No. of install-ments	Due between 5 to 6 Years: Amount (in Rupees)	Total
Term loan from financial institutions	Monthly	1-3 years	6%-6.5%	25	142.82	2	16.00	-	-	-	-	-	-	-	-	158.82
			6.5% - 7%	2	20.00	-	-	-	-	-	-	-	-	-	-	20.00
			7% - 7.5%	11	9.82	-	-	-	-	-	-	-	-	-	-	9.82
			11.5% - 12%	2	2.48	-	-	-	-	-	-	-	-	-	-	2.48
		Above 3 years	6.5% - 7%	6	7.33	-	-	-	-	-	-	-	-	-	-	7.33
			12.5% - 13%	12	40.00	-	-	-	-	-	-	-	-	-	-	40.00
	Quarterly	Above 3 years	9% - 9.5%	4	28.00	4	28.00	4	28.00	4	8.00	4	8.00	-	-	100.00
			11.5% - 12%	4	15.00	4	12.25	4	2.50	3	1.50	-	-	-	-	31.25
	Half Yearly	1-3 years	7%-7.5%	3	269.00	2	123.50	-	-	-	-	-	-	-	-	392.50
			6.5% - 7%	2	50	1	25	-	-	-	-	-	-	-	-	74.99
		Above 3 years	10.5%-11%	14	20.60	8	12.30	-	-	-	-	-	-	-	-	32.90
			11% - 11.5%	1	1	-	-	-	-	-	-	-	-	-	-	0.63
			11.5%-12%	18	305.20	18	331.90	16	409.15	6	180.00	-	-	-	-	1,226.25
Term loan from non-banking financial companies	Monthly	1-3 years	8.5%-9%	17	52.17	9	29.35	-	-	-	-	-	-	-	-	81.52
			9%-9.5%	11	33.48	-	-	-	-	-	-	-	-	-	-	33.48
			9.5%-10%	23	22.22	14	13.82	2	3.34	-	-	-	-	-	-	39.38
			10% - 10.5%	80	150.61	46	65.93	-	-	-	-	-	-	-	-	216.54
			10.5% - 11%	12	13.19	3	4.21	-	-	-	-	-	-	-	-	17.40
			11% - 11.5%	20	10.23	-	-	-	-	-	-	-	-	-	-	10.23
			11.5% - 12%	3	50.00	-	-	-	-	-	-	-	-	-	-	50.00
		Above 3 years	9% - 9.5%	8	6.06	12	9.09	12	9.09	1.00	0.76	-	-	-	-	25.00
			10% - 10.5%	2	1.82	-	-	-	-	-	-	-	-	-	-	1.82
			11% - 11.5%	2	0.71	-	-	-	-	-	-	-	-	-	-	0.71
	Quarterly	1-3 years	10% - 10.5%	4	8.33	4	8.33	4	8.33	-	-	-	-	-	-	24.99
			11.5% - 12%	4	5.45	3	4.09	-	-	-	-	-	-	-	-	9.54
		Above 3 years	11.5% - 12%	7	6.50	-	-	-	-	-	-	-	-	-	-	6.50
	Half Yearly	1-3 years	10% - 10.5%	2	25.00	-	-	-	-	-	-	-	-	-	-	25.00
External commercial borrowings	Bullet	1-3 years	11%-11.5%	-	-	1	93.44	-	-	-	-	-	-	-	-	93.44
		Above 3 years	10%-10.5%	1	33.80	-	-	-	-	-	-	-	-	-	-	33.80
			10.5%-11%	1	95.00	-	-	-	-	-	-	-	-	-	-	95.00
Sub-debt	Bullet	Above 3 years	14.5%-15%	1	25.00	-	-	-	-	-	-	-	-	-	-	25.00
Grand Total				**1,597.00**	**6,176.95**	**769**	**3,189.82**	**140**	**1,132.67**	**16**	**297.26**	**4.00**	**8.00**	**-**	**-**	**10,804.71**

Note: The above amount pertains to the principal outstanding only.

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16 Other financial liabilities

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Lease liabilities	78.51	85.00	75.34
Others	0.37	2.44	7.60
Total	**78.88**	**87.44**	**82.94**

17 Provisions

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Provision for employee benefits:			
Gratuity	10.57	8.50	7.56
Leave encashment and availment	26.06	22.75	17.97
Total	**36.63**	**31.25**	**25.53**

18 Other non-financial liabilities

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Statutory dues payable (Tax deducted at source, GST, etc)	19.10	13.52	11.37
Total	**19.10**	**13.52**	**11.37**

19 Equity share capital

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Authorised			
Equity shares of ₹ 10 each	160.00	160.00	160.00
16,00,00,000 (March 31, 2022 and March 31, 2021 : 16,00,00,000) Equity shares (refer note: g below)	**160.00**	**160.00**	**160.00**
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Issued, subscibed and fully paid up			
158,906,443 (March 31, 2022 and March 31, 2021: 155,866,346 and 155,582,040) Equity shares of ₹ 10 each fully paid	158.91	155.87	155.58

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	March 31, 2023		March 31, 2022	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
At the beginning of the year	155,866,346	155.87	155,582,040	155.58
Add: Issued during the year				
- On account of Qualified Institutional Placement	-	-	-	-
- On account of scheme of merger (refer Note 43) **	2,675,351	2.68	-	-
- Employee Stock Option Plan	364,746	0.36	284,306	0.29
Outstanding at the end of the year	**158,906,443**	**158.91**	**155,866,346**	**155.87**

** The Holding Company alloted 2,675,351 equity shares dated March 27, 2023 and it was pending for listing as on March 31, 2023.

(b) Terms/Rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. Any dividends proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2023		March 31, 2022		March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10 each fully paid						
CreditAccess India BV (Formerly known as "CreditAccess India NV")	115,109,028	72.44%	115,109,028	73.85%	115,109,028	73.99%
Nippon Life India Trustee Limited	5,776,212	3.63%	8,721,856	5.60%	6,105,884	3.92%

(d) Details of Promoters shareholdering

Particulars	No. of Shares	%of total shares	% Change during the year
	March 31, 2023		
1) CreditAccess India BV (Formerly known as "CreditAccess India NV")	115,109,028	72.44%	-1.41%
	March 31, 2022		
	115,109,028	73.85%	-0.13%
	March 31, 2021		
	115,109,028	73.99%	-5.95%

(e) For details of shares reserved for issue under the employee stock option (ESOP) plan of the Holding Company refer Note 38.

(f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	31-Mar-22 (No. of equity shares)	31-Mar-21 (No. of equity shares)	31-Mar-20 (No. of equity shares)	31-Mar-19 (No. of equity shares)	31-Mar-18 (No. of equity shares)
Equity shares alloted to Equity Share holders and Compulsorily Convertible Debentureholders of MV Microfin Private Limited as a purchase consideration for amalgamation of business with the Company	-	-	-	-	4,890,140
Equity shares alloted to CreditAccess India BV (Formerly known as "CreditAccess India NV") in lieu of conversion of compulsorily convertible debentures	-	-	-	-	12,987,012
Total	**-**	**-**	**-**	**-**	**17,877,152**

(g) NCLT has issued order dated on February 07, 2023, approving amalgamation of Madura Micro Finance Limited (the "Transferor Company") with CreditAccess Grameen Limited (the "Transferee Company") effective from April 1, 2020. The Holding Company has filed the Certified True Copy of the Order in the Form INC-28 with the Registrar of Companies ("ROC") Karnataka, on February 15, 2023 and upon approval such Form, the authorised share capital of ₹ 10 Crore of transferor Company shall stand transferred to transferee Company. (refer Note 43)

20 Other equity*

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	535.73	370.52	294.09
Capital reserve	49.95	49.95	49.95
Securities premium	2,478.59	2,268.12	2,263.13
Share options outstanding account	19.41	11.72	8.52
Retained earnings	1,855.13	1,194.73	917.56
Shares to be issued on account of merger (Refer Note 43)	-	205.83	206.38
Effective portion of Cash Flow Hedge	9.25	0.39	-
Fair valuation of loans through other comprehensive income	-	(90.22)	(3.94)
Total	**4,948.06**	**4,011.04**	**3,735.69**

* For detailed movement of reserves refer statement of changes in equity for the year ended March 31, 2023, March 31, 2022.

Nature and purpose of reserve

20.1 Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

20.2 Capital reserve

During the year ended 2018, the Holding Company pursuant to the scheme of amalgamation acquired MV Microfin Private Limited with effect from April 1, 2017, as per the accounting treatment of the scheme of amalgamation approved by the Honourable High Court of Karnataka, the differential amount between the carrying value of investments and net assets acquired from the transferor companies has been accounted as Capital reserve.

20.3 Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)

Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45-IC of Reserve Bank of India Act 1934.

Statutory reserve has been created based on the standalone pre-amalgamation profits for the year ended March 31, 2022 and March 31, 2021 of CreditAccess Grameen Limited and Madura Micro Finance Limited.

20.4 Share option outstanding account

The share option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

20.5 Retained earnings

Retained earnings are the profits that the Holding Company has earned till date, less any transfers to statutory reserve, general reserve or any other such other appropraitions to specific reserves.

20.6 Shares to be issued (Refer Note 43)

The Holding Company has received order of amalgamation of Madura Micro Finance Limited ("MMFL") with CreditAccess Grameen Limited, appointed date being April 1, 2020. The Scheme has been approved by the Hon'ble National Company Law Tribunal, Chennai Bench vide its order dated October 12, 2022, and the Hon'ble National Company Law Tribunal, Bengaluru Bench, vide its order dated February 07, 2023. The Holding Company has issued shares on March 27, 2023 as per swap ratio decided in scheme of amalgamation to Non controlling shareholders of MMFL.

20.7 Other comprehensive income

(i) Effective portion of Cash Flow Hedge

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss.

(ii) Fair valuation of Loans Through other comprehensive income (FVTOCI)

The Holding Company has elected to recognize changes in the fair value of loans in other comprehensive income. These changes are accumulated as reserve within equity. The Holding Company transfers amount from this reserve to retained earnings when the relevant loans are derecognized.

20.8

₹ in crore

Movement of other comprehensive income for the year	March 31, 2023	March 31, 2022
Opening balance	(89.83)	(3.94)
(+) Fair value change during the year	32.25	(486.65)
(+) Effective portion of Cash Flow Hedge	9.25	0.39
(-) Impairment allowance transferred to statement of profit and loss	57.58	400.37
Closing balance	**9.25**	**(89.83)**

20.9 The Holding Company has not declared or paid any dividend during the year and has not proposed final dividend for the year and previous years.

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21 Interest income

₹ in crore

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total
Interest on loans	556.50	2,720.90	3,277.40	1,914.94	618.04	**2,532.98**
Income from securitisation	-	0.06	0.06	-	0.56	**0.56**
Interest on deposits with banks and financial institutions	-	31.04	31.04	-	33.80	**33.80**
Income from government securities	-	18.62	18.62	-	-	**-**
Total	**556.50**	**2,770.62**	**3,327.13**	**1,914.94**	**652.39**	**2,567.33**

22 Fees and commission income

₹ in crore

Particulars	For the year ended March 31, 2023	March 31, 2022
Service fees for management of assigned portfolio of loans	0.03	0.06
Service and administration charges	1.23	2.44
Distribution Income	18.25	10.72
Total	**19.51**	**13.22**

23 Net gain on fair value changes

₹ in crore

Particulars	For the year ended March 31, 2023	March 31, 2022
(A) Net gain on fair value instruments at fair value through profit or loss		
(i) On trading portfolio (realised)		
- Investments	21.32	17.85
(B) Others		
(i) Gain on derecognition of loans designated at FVTOCI (Net)	(3.18)	69.99
Total	**18.14**	**87.84**

24 Other Income

₹ in crore

Particulars	For the year ended March 31, 2023	March 31, 2022
Miscellaneous income *	5.67	7.31
Total	**5.67**	**7.31**

* Includes advertisement income, Service and administration charges and other miscellaneous income.

25 Finance costs

₹ in crore

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total
Interest on debt securities	-	135.61	135.61	-	163.04	163.04
Interest on borrowings other than debt securities	-	1,054.17	1,054.17	-	797.46	797.46
Interest on subordinated liabilities	-	11.30	11.30	-	13.67	13.67
On financial liability towards securitisation (re-recognised on balance sheet)	-	0.02	0.02	-	0.16	0.16
Other interest expense						
-Interest on lease liabilities	-	8.79	8.79	-	8.08	8.08
-Others	-	2.99	2.99	-	1.73	1.73
Total Finance costs	**-**	**1,212.88**	**1,212.88**	**-**	**984.14**	**984.14**

26 Impairment on financial instruments

₹ in crore

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total
Group lending loans	57.58	328.24	**385.82**	400.37	171.78	**572.15**
Individual loans	-	15.20	**15.20**	-	24.59	**24.59**
Total	**57.58**	**343.44**	**401.02**	**400.37**	**196.37**	**596.74**

27 Employee benefit expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Salaries and wages	454.28	388.20
Contribution to provident and other funds	45.33	40.26
Share based payments to employees	10.65	5.45
Staff welfare expenses	4.98	3.75
Total	**515.24**	**437.66**

28 Depreciation and amortization expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
-On property, plant and equipment	13.38	12.41
-On intangible assets	22.87	22.14
-On right of use assets	13.59	12.68
Total	**49.84**	**47.23**

29 Other expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Rental charges payable under operating leases (Refer Note 36)	29.89	23.29
Bank charges	3.24	3.28
Rates and taxes	11.82	9.86
Insurance	5.94	3.59
Repairs and maintenance	19.46	18.41
Electricity	5.43	4.23
Travelling and conveyance	100.20	74.90
Postage and telecommunication	15.04	9.79
Printing and stationery	6.15	6.20
Professional and consultancy charges	23.15	17.20
Remuneration to directors	2.10	1.36
Auditor's remuneration (Refer Note below)	2.73	1.65
Training expenses	12.17	6.86
Corporate Social Responsibility expenses (Refer Note below)	8.40	9.71
NCD Issue expenses	2.99	-
Provision for other assets and written off	0.31	1.63
Miscellaneous expenses **	15.57	8.64
Total	**264.59**	**200.61**

Auditor's remuneration

₹ in crore

Particulars	For the year ended	
	March 31, 2023#	March 31, 2022
As auditor		
Audit fee	1.72	1.47
Others	0.19	0.02
In other capacity		
Certification services	0.22	0.15
Tax representation fee	0.50	-
Reimbursement of expenses	0.10	0.01
Total	**2.73**	**1.65**

Excludes payment amounting to ₹ 1.03 crore for services in relation to issuance of Public Non-convertible debentures, which has been included in NCD Issue expenses.

Details of CSR expenditure

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
a) Gross amount required to be spent by the Group during the year	8.32	9.69
b) Amount spent during the year (in cash)		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	8.40	6.64
c) Shortfall/ (excess) at the end of the year, *	(0.08)	3.05
d) Total of previous years shortfall	-	-

* Previous year unspent balance of ₹3.05 Crores has been fully spent during the current year.

Note:

1. In Previous year, the Group has deposited the unspent amount in relation to the CSR expenditure in dedicated bank account.

2. Reason for shortfall in previous year, are as below

a) Few of the projects like the Vaccination Drives, Support to physically/mentally challenged children and the self-learning center had commenced in the last quarter of the previous year and the period of the project extended to the next Financial year with committed payments to be made during this financial Year.

b) Two ongoing projects namely Anganawadi Improvement Program and Rural development program had execution challenges due to the covid situations in certain geographies. Hence, even though the institutions were identified, and events planned, the execution got delayed and some of the event dates had extended to this financial year.

3. Contribution of ₹ 11.45 crore made to CreditAccess India Foundation (Section 8 Company which is subsidary of the Holding Company).

4. The Group has entered into a Memorandum of Understanding with CreditAccess India Foundation for CSR Activities (COVID-19 pandemic support program, Community Development activity like education, health Care, livelihood and other support activity).

5. W.r.t previous year, gross amount required to be spent was computed based on standalone entities' profit before giving effect of the merger.

** During the previous year, the Group has reversed additional provision carried over and above requirements as per Section 135 of Companies Act, 2013 to the extent of ₹ 4.96 Crore.

30 Income tax

₹ in crore

(A)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Current tax		
(i) Current year	238.64	118.12
(ii) Earlier year	(0.41)	2.16
Deferred tax		
(i) Current year	44.85	8.99
(ii) Earlier year	(3.72)	(1.55)
Total tax charge	**279.36**	**127.72**

(B) **Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate**

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Profit before tax	1,105.42	480.79
At India's statutory income tax rate of 25.17% (2022: 25.17%)	278.24	121.01
Non deductible expenses		
Interest	0.30	0.09
CSR and Donation	2.14	1.19
Employee stock option cost	-	1.37
80JJAA of Income Tax Act, 1961	(0.78)	-
Others (net)	(0.54)	4.06
Income tax expense reported in statement of profit and loss	**279.36**	**127.72**

Movement in deferred tax balances for the year ended March 31, 2023

₹ in crore

Particulars	Net balance April 1, 2022	(Charge)/ credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2023	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Impact of difference between tax depreciation/ amortisation	(5.08)	(0.18)	-	-	(5.26)	-	(5.26)
Remeasurement gain / (loss) on defined benefit plan	6.69	(0.13)	-	-	6.56	6.56	-
Impairment allowance for loans	126.47	(45.77)	-	-	80.70	80.70	-
Expenses incurred on Initial Public Offering	1.45	(1.16)	-	-	0.29	0.29	-
Receivable from assignment of portfolio	(19.80)	(6.49)	-	-	(26.29)	-	(26.29)
Other items	44.75	12.74	(2.98)	(30.34)	24.17	24.17	-
Additions on account of Merger	0.90	(0.14)	-	-	0.76	0.76	-
Net Deferred tax assets / (liabilities)	**155.39**	**(41.13)**	**(2.98)**	**(30.34)**	**80.93**	**112.48**	**(31.55)**

(C) **Movement in deferred tax balances for the year ended March 31, 2022**

₹ in crore

Particulars	Net balance April 1, 2021	(Charge)/ credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Impact of difference between tax depreciation/ amortisation	(2.50)	(2.58)	-	-	(5.08)	-	(5.08)
Remeasurement gain / (loss) on defined benefit plan	5.41	1.39	(0.11)	-	6.69	6.69	-
Impairment allowance for loans	148.51	(22.04)	-	-	126.47	126.47	-
Expenses incurred on Initial Public Offering	2.91	(1.46)	-	-	1.45	1.45	-
Receivable from assignment of portfolio	(26.55)	6.75	-		(19.80)	-	(19.80)
Other items	5.63	10.88	28.24	-	44.75	44.75	-
Additions on account of Merger	1.29	(0.38)	-	-	0.90	0.90	-
Net Deferred tax assets / (liabilities)	**134.70**	**(7.44)**	**28.13**	**-**	**155.39**	**180.27**	**(24.88)**

(D) The following tables provides the details of income tax assets and income tax liabilities as at:

Current tax assets (net)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Income tax assets	557.83	492.91	526.72
Less: Income tax liabilities	518.27	454.46	488.71
Total	**39.56**	**38.45**	**38.01**

Current tax liabilities (net)

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Income tax liabilities	238.48	185.65	76.39
Less: Income tax assets	237.92	184.19	75.40
Total	**0.56**	**1.46**	**0.99**

31 Employee benefits

A. Defined benefit plan

The Group provides for the gratuity, a defined benefit retirement plan covering qualifying employees. Employees who are in continous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The Group have both funded and unfunded gratuity plans and it makes contibutions to Gratuity scheme administered by the insurance company through its Gratuity Fund.

B. Defined contribution plan

The Group makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the basic salary to fund the benefits. The contributions payable to these plans by the Group are administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.The Group recognised ₹ 30.64 crore (March 31, 2022 : ₹ 26.65) for Provident fund contributions and ₹ 6.99 crore (March 31, 2022 : ₹ 6.09) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss.

31.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability / assets and its components:

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	**26.62**	**21.65**
Current service cost	6.77	6.00
Interest cost	1.52	1.39
Past service cost	-	-
Benefits settled	(2.28)	(1.70)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	0.57	2.46
- Changes in demographic assumptions	(0.34)	(0.02)
- Changes in financial assumptions	(0.80)	(3.16)
Obligation at the end of the year	**32.06**	**26.62**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	**18.12**	**14.08**
Interest income on plan assets	1.37	1.09
Re-measurement- actuarial gain	(1.17)	(0.01)
Return on plan assets recognised in other comprehensive income	-	-
Contributions	4.86	4.20
Benefits settled	(1.69)	(1.24)
Plan assets at the end of the year, at fair value	**21.49**	**18.12**
Net defined benefit liability	**10.57**	**8.50**

31.2 Expenses recognised in statement of profit or loss

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Current service cost	6.77	6.00
Interest cost	0.15	0.30
Net gratuity cost	**6.92**	**6.30**

31.3 Re-measurement recognised in other comprehensive income

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	0.57	2.46
- Changes in demographic assumptions	(0.34)	(0.02)
- Changes in financial assumptions	(0.80)	(3.16)
Re-measurement of the net defined benefit asset		
Return on plan assets (greater)/ less than discount rate	1.17	0.01
Total Actuarial (gains) / losses included in OCI	**0.60**	**(0.71)**

31.4 Plan assets

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Funds managed by insurer	100%	100%	100%

31.5 Defined benefit obligation - Actuarial assumptions

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Discount rate	7.36%	5.60% - 6.96%	4.85% - 6.79%
Future salary growth	8.00%	8%-10%	10.00%
Attrition rate	25.41%	23.01% - 30.00%	22.85% - 30.00%
Normal retirement age	60 years	60 years	60 years
Average term of liabilty (in years)	5.98 years	4.00 - 6.57 years	4.00 - 7.79 years

31.6 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

₹ in crore

Particulars	March 31, 2023		March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.00)	2.30	(1.44)	1.98	(1.32)	1.86
Future salary growth (1% movement)	1.94	(1.74)	1.72	(1.26)	1.61	(1.16)
Attrition rate (1% movement)	(0.28)	0.31	(0.27)	1.51	(0.16)	1.93
Mortality Rate (- / + 10% of mortality rates)	-	-	-	-	-	-

31.7 Expected contribution to the plan for the next annual reporting period is ₹ 10.43 crore (March 31, 2022 - ₹ 7.55).

The weighted average duration of the defined benefit obligation of Company is 5.98 years (for planned assets) [March 31, 2022- 6.57 years (for planned assets) and 4 years (for unplanned Liability)]. The expected maturity analysis of undiscounted gratuity is as follows:

₹ in crore

Particulars	Less than a year	Between 1-2 years	Between 2-3 years	Between 3-4 years	Between 4-5 years	Between 5-10 years	Beyond 10 years	Total
31 March, 2023								
Gratuity	4.23	3.53	2.88	2.47	2.13	7.00	44.12	66.36
Total	**4.23**	**3.53**	**2.88**	**2.47**	**2.13**	**7.00**	**44.12**	**66.36**
31 March, 2022								
Gratuity	3.62	2.87	2.49	2.05	1.72	5.33	31.49	49.57
Total	**3.62**	**2.87**	**2.49**	**2.05**	**1.72**	**5.33**	**31.49**	**49.57**
31 March, 2021								
Gratuity	2.90	2.17	1.87	1.66	1.36	4.46	29.17	43.59
Total	**2.90**	**2.17**	**1.87**	**1.66**	**1.36**	**4.46**	**29.17**	**43.59**

31.8 Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Demographic risks

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the defined benefit obligations depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward.

Change in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Code on Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

32 Maturity analysis of assets and liabilities

(A) Maturity analysis of assets and liabilities as at March 31, 2023

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1,341.41	-	**1,341.41**
(b)	Bank balance other than cash and cash equivalents	57.27	37.75	**95.02**
(c)	Loans	11,021.93	8,021.41	**19,043.34**
(d)	Investments	453.98	0.54	**454.52**
(e)	Derivative financial instrument	31.63	-	**31.63**
(f)	Other financial assets	120.99	28.60	**149.59**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	39.56	**39.56**
(b)	Deferred tax assets (net)	-	80.93	**80.93**
(c)	Property, plant and equipment	-	32.08	**32.08**
(d)	Right of use assets	-	64.75	**64.75**
(e)	Goodwill	-	375.68	**375.68**
(f)	Intangible assets	-	126.52	**126.52**
(g)	Intangible assets under development	-	3.94	**3.94**
(h)	Other non-financial assets	18.64	0.49	**19.13**
	Total assets	**13,045.85**	**8,812.25**	**21,858.10**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	0.10	-	**0.10**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	43.95	-	**43.95**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	259.50	0.15	**259.65**
(b)	Borrowings*			
	- Debt securities	646.27	1,026.08	**1,672.35**
	- Borrowings (other than debt securities)	7,313.29	7,248.71	**14,562.00**
	- Subordinated liabilities	0.04	77.87	**77.91**
(c)	Other financial liabilities	11.93	66.95	**78.88**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	0.56	-	**0.56**
(b)	Provisions	18.58	18.05	**36.63**
(c)	Other non-financial liabilities	19.10	-	**19.10**
	Total liabilities	**8,313.32**	**8,437.81**	**16,751.13**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

(B) Maturity analysis of assets and liabilities as at March 31, 2022

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1,580.55	-	**1,580.55**
(b)	Bank balance other than cash and cash equivalents	170.24	10.60	**180.84**
(c)	Loans	8,827.43	5,937.90	**14,765.33**
(d)	Investments	-	0.54	**0.54**
(e)	Other financial assets	98.93	19.55	**118.48**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	38.45	**38.45**
(b)	Deferred tax assets (net)	-	155.39	**155.39**
(c)	Property, plant and equipment	-	31.80	**31.80**
(d)	Right of use assets	0.15	74.61	**74.76**
(e)	Goodwill	-	375.68	**375.68**
(f)	Intangible assets	-	146.65	**146.65**
(g)	Intangible assets under development	-	3.07	**3.07**
(h)	Other non-financial assets	10.21	0.20	**10.41**
	Total assets	**10,687.51**	**6,794.44**	**17,481.95**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Derivative financial instrument	1.66	-	**1.66**
(b)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	34.78	-	**34.78**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	224.11	0.13	**224.24**
(c)	Borrowings*			
	- Debt securities	579.02	839.08	**1,418.10**
	- Borrowings (other than debt securities)	6,539.27	4,885.58	**11,424.85**
	- Subordinated liabilities	-	77.74	**77.74**
(d)	Other financial liabilities	13.98	73.46	**87.44**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	1.46	-	**1.46**
(b)	Provisions	13.06	18.19	**31.25**
(c)	Other non-financial liabilities	13.46	0.06	**13.52**
	Total liabilities	**7,420.80**	**5,894.24**	**13,315.04**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders

(C) Maturity analysis of assets and liabilities as at March 31, 2021

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	2,360.09	-	**2,360.09**
(b)	Bank balance other than cash and cash equivalents	46.17	78.12	**124.29**
(c)	Other receivables	-	-	**-**
(d)	Loans	7,466.68	4,253.80	**11,720.48**
(e)	Investments	-	0.54	**0.54**
(f)	Other financial assets	106.88	25.43	**132.31**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	38.01	**38.01**
(b)	Deferred tax assets (net)	-	134.70	**134.70**
(c)	Property, plant and equipment	-	24.15	**24.15**
(d)	Right of use assets	-	67.50	**67.50**
(e)	Goodwill	-	375.68	**375.68**
(f)	Intangible assets	-	163.54	**163.54**
(g)	Intangible assets under development	-	0.62	**0.62**
(h)	Other non-financial assets	12.07	1.14	**13.21**
	Total assets	**9,991.89**	**5,163.23**	**15,155.12**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	22.05	-	**22.05**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	179.64	-	**179.64**
(b)	Borrowings*			
	- Debt securities	525.63	1,149.32	**1,674.95**
	- Borrowings (other than debt securities)	5,660.80	3,502.88	**9,163.68**
	- Subordinated liabilities	27.79	74.91	**102.70**
(c)	Other financial liabilities	15.99	66.95	**82.94**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	-	0.99	**0.99**
(b)	Provisions	10.04	15.49	**25.53**
(c)	Other non-financial liabilities	11.31	0.06	**11.37**
	Total liabilities	**6,453.25**	**4,810.60**	**11,263.85**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

33 Transfer of financial assets

a) ***Transferred financial assets that are not derecognised in their entirety.***

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Securitisations			
Carrying amount of transferred assets measured at amortised cost	103.56	-	15.89
Carrying amount of associated liabilities (debt securities - measured at amortised cost) (Refer Note 14)	(98.80)	-	(9.15)
Fair value of transferred assets	103.56	-	15.89
Fair value of associated liabilities	(98.80)	-	(9.15)
Net position at amortised cost	**4.76**	**-**	**6.74**

b) ***Transferred financial assets that are derecognised in their entirety.***

The Group has assigned loans (earlier measured at FVTOCI/amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 85%-95% of the assets transferred to the buyer, the assets have been de-recognised from the Group's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost (Previous year it was measured at fair value through OCI) on derecognition during the year:

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Direct assignments			
Carrying amount of derecognised financial assets	1,721.56	1,120.30	1,329.36
Gain from derecognition	122.89	75.69	109.82

Since the Group transferred the above financial asset in a transfer that qualified for derecognition in its entirety, the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as 'Receivable from assignment of portfolio' with a corresponding profit on derecognition of financial asset.

The Group has not transferred any assets that are derecognised during the year in their entirety where the Group continues to have continuing involvement.

34 Contingent liabilities

a) Contingent liabilities not provided for in respect of the below:

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Performance security provided by the Company pursuant to service provider agreement	-	0.10	0.11
Demand under Employee Provident Fund Act, 1952	0.25	0.25	0.25

(b) **Pertaining to Assessment Year 2017-18 (Financial year 2016-17)**

The Assesing Officer, Income Tax, Bangalore, through an order dated 28th December 2019, has confirmed the demand of ₹.2.62 crore (net demand after adjusting of payment made is ₹ 1.16 crore) from the Company. The Holding Company has preferred an appeal before Commissioner of Income Tax against said assement order. The Holding Company is of view that the said demand is not tenable and expects to succeed in its appeal.

(c) In addition, the Holding Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Holding Company financial position and result of operations.

35 Capital commitments

Estimated amounts of contracts remaining to be executed on capital account (net of capital advances) and not provided:

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
For purchase / development of computer software	2.22	3.91	0.87

36 Leases

36.1 Company as a lessee

The Group's leased assets mainly comprise office buildings and servers taken on lease. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The term of property and server leases ranges from 1-10 years. The Group has applied short term lease exemption for leasing arrangements where the period of lease is less than 12 months.

36.2 Total lease liabilities are analysed as follows:

₹ in crore

Lease liabilities	March 31, 2023	March 31, 2022	March 31, 2021
Current	11.71	11.29	8.72
Non-current	66.80	73.71	66.62
Total	**78.51**	**85.00**	**75.34**

36.3 Amounts recognised in the statement of profit and loss

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Depreciation charge of right-of-use assets			
Buildings	4.35	4.78	4.43
Servers	9.24	7.90	7.83
	13.59	**12.68**	**12.26**
Expense relating to variable lease payments			
Expense relating to short-term leases (included in other expenses)	29.89	23.28	19.28
Interest on lease liabilities (included in finance costs)	8.79	8.08	6.56

36.4

₹ in crore

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Total cash outflow for leases	48.77	41.57	34.21
Total commitments for short-term leases	14.56	10.48	7.77

36.5

The Group had committed to leases which had not commenced. The total future cash outflows for leases that had not yet commenced were as follows:

₹ in crore

Type of asset	March 31, 2023	March 31, 2022	March 31, 2021
Computers	2.26	-	7.59

36.6

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

₹ in crore

Maturity analysis:	March 31, 2023	March 31, 2022	March 31, 2021
Less than 1 year	18.74	19.29	16.08
Between 1 and 2 years	18.55	17.72	15.02
Between 2 and 5 years	52.64	49.89	41.00
More than 5 years	14.37	31.19	37.87
Total	**104.30**	**118.09**	**109.97**

36.7

The following is the movement in lease liabilities during the year.

₹ in crore

Particulars	March 31, 2023	March 31, 2022
Balance as at beginning of the year	**85.00**	**75.34**
Additions in the scheme of Merger	-	-
Additions during the period	4.96	19.94
Finance cost incurred during the period	8.79	8.08
Termination of lease during the period	(0.93)	-
Payment of lease liabilities	(19.31)	(18.36)
Balance as of closing of the year	**78.51**	**85.00**

Note: Refer Note 10(A) for movement in right of use of assets.

37 Related party transactions

Names of the related parties *(as per IndAS – 24)*

Holding Company	CreditAccess India BV (Formerly known as "CreditAccess India NV")
Fellow Subsidiary Company	CreditAccess Life Insurance Limited ('CALIL')
Managing Director & CEO (KMP)	Mr. Udaya Kumar Hebbar
Chairman & Lead Independent Director (Chairman from August 11, 2021)	Mr. George Joseph
Chairman & Nominee Director (Upto July 30, 2021), Non-Executive Director in MMFL (upto August 03, 2021) and Non-Executive Director & Vice-Chairman (w.e.f October 21, 2022)	Mr. Paolo Brichetti
Non-Executive Director of MMFL*	Mr. Diwakar B R
Independent Director (w.e.f October 21, 2022)	Ms. Rekha Gopal Warriar
Independent Director (upto November 03, 2020)	Mr. R Prabha
Independent Director (upto September 10, 2022)	Ms. Sucharita Mukherjee
Independent Director (upto June 25, 2020)	Mr. Anal Kumar Jain
Independent Director	Mr. Manoj Kumar
Nominee Director	Mr. Sumit Kumar
Nominee Director	Mr. Massimo Vita
Independent Director (w.e.f. September 16, 2020)	Ms. Lilian Jessie Paul
Key Managerial Personnel (w.e.f. July 01, 2021)	Mr. Ganesh Narayanan, Deputy CEO
Key Managerial Personnel (w.e.f. November 7, 2020)	Mr. Sadananda Balakrishna Kamath, Chief Financial Officer
Key Managerial Personnel	Mr. M J Mahadev Prakash, Company Secretary and Chief Compliance officer
Non-Executive Director of MMFL* (Whole time Director- upto March 31, 2021 and Non-Executive Director - w.e.f April 1, 2021)	Mr. F. S. Mohan Eddy
Independent Director of MMFL*	Mr. N. C. Sarabeswaran
Key Managerial Personnel of MMFL* (w.e.f. Feburay 21, 2021)	Mr. Ganesh Hegde, Company Secretary
Non-Executive Director of MMFL* (Managing Director- up to February 21, 2021 and Non-Executive Director- w.e.f. February 22, 2021)	Ms. Tara Thiagarajan
CEO & CFO-Key Managerial Personnel of MMFL* (CEO- up to February 21, 2021 and CEO & CFO- w.e.f. February 22, 2021)	Mr. M. Narayanan
Non-Executive Director of MMFL* (Managing Director- up to February 21, 2021 and Non-Executive Director- w.e.f. February 22, 2021)	Ms. Tara Thiagarajan
CEO & CFO-Key Managerial Personnel of MMFL* (CEO- up to February 21, 2021 and CEO & CFO- w.e.f. February 22, 2021)	Mr. M. Narayanan

*Pertaining to Madura Micro Finance Limited ("MMFL") which is merged with Company pursuant to NCLT order Dated February 07, 2023 (Refer Note 43)

Related party transactions (Continued)

₹ in crore

Particulars	Key management personnel	
	March 31, 2023	March 31, 2022
Transactions during the year		
Mr. Udaya Kumar Hebbar		
Salary and perquisites	3.43	2.85
Employee Stock Options exercised	1.04	0.59
Mr. Sadananda Balakrishna Kamath		
Salary and perquisites	1.28	1.10
Employee Stock Options exercised	0.21	0.15
Mr. M J Mahadev Prakash		
Salary and perquisites	0.67	0.58
Employee Stock Options exercised	0.04	-
Mr. Ganesh Narayanan		
Salary and perquisites	1.83	1.27
Employee Stock Options exercised	0.79	-
Mr M Narayanan (Refer footnote Note 1)		
Salary and perquisites	1.40	1.35
Employee Stock Options exercised	-	-
Mr. Ganesh Hegde		
Salary and perquisites	0.11	0.11
Employee Stock Options exercised	-	-

Provisions for gratuity and leave benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above. Salary and perquisites is excluding ESOP benefits expenses.

Note 1: On account of merger (Refer note 43) 15,00,508 and 6,24,362 number of equity shares of the Company have been issued to Ms. Tara Thiagarajan and Mr. M Narayanan on March 27, 2023 against the equity shares held in Madura Micro Finance Limited as per the swap ratio mentioned in scheme of merger.

₹ in crore

Sitting fees	March 31, 2023	March 31, 2022
Mr. Paolo Brichetti	0.04	0.01
Mr. Sumit Kumar	0.13	0.04
Mr. Massimo Vita	0.15	0.06
Ms. Sucharita Mukherjee	0.01	0.05
Mr. George Joseph	0.22	0.18
Mr. Manoj Kumar	0.14	0.14
Ms. Lilian Jessie Paul	0.05	0.06
Mr. N C Sarabeswaran	0.03	0.07
Ms. Rekha Gopal Warriar	0.04	-
Mr. Diwakar B R	0.01	-
Ms. Tara Thiagarajan	0.01	0.03
Mr. F S Mohan Eddy	0.02	0.04

Related party transactions (Continued)

₹ in crore

Commission #	Other related parties	
	March 31, 2023	March 31, 2022
Mr. R Prabha	-	0.01
Mr. Anal Kumar Jain	-	(0.04)
Ms. Lilian Jessie Paul	0.23	0.14
Ms. Sucharita Mukherjee	0.24	0.12
Mr. George Joseph	0.38	0.17
Ms. Rekha Gopal Warriar	0.12	-
Mr. Manoj Kumar	0.30	0.17

on accrual basis.

₹ in crore

Sitting fees payable	Other related parties		
	March 31, 2023	March 31, 2022	March 31, 2021
Mr. Paolo Brichetti	-	-	0.02
Mr. Massimo Vita	-	0.01	0.02
Mr. Sumit Kumar	-	-	0.01

₹ in crore

Commission payable	Other related parties		
	March 31, 2023	March 31, 2022	March 31, 2021
Mr. R Prabha	-	-	0.07
Mr. Anal Kumar Jain	-	-	0.06
Ms. Lilian Jessie Paul	0.15	0.08	-
Ms. Sucharita Mukherjee	0.16	0.10	0.06
Mr. George Joseph	0.25	0.12	0.07
Ms. Rekha Gopal Warriar	0.12	-	-
Mr. Manoj Kumar	0.20	0.10	0.03

38 Employee stock options

Stock options: The Group has provided share based payments to its employees under the 'CAGL Employees Stock Option Plan – 2011' (upto July 8, 2020 name was 'Grameen Koota Financial Services Private Limited – Employees Stock Option Plan 2011'). The various Tranches I, II, III, IV, V, VI, VII, VIII and IX represent different grants made under the plan. During year ended March 31, 2023, the following stock option grants were in operation:

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX
Date of grant	Apr 1, 2012	Oct 1, 2013	Jun 1, 2014	Jul 1, 2016	Jan 1, 2017	Jan 1,2018	Jan 1,2021	Jan 1,2022	Jan 1,2023
Date of Board / Compensation Committee approval	Oct 15, 2011	Aug 22, 2012	Jul 30, 2014	Jun 29, 2016	May 17, 2017	Jan 24, 2018	Jan 29, 2021	Mar 23, 2022	Mar 23, 2023
Number of Options granted	716,676	631,339	443,000	431,000	521,000	971,000	375,900	1,029,300	768,600
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Graded vesting period:									
Day following the expiry of 12 months from grant	25%	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 24 months from grant	25%	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 36 months from grant	25%	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 48 months from grant	25%	25%	25%	25%	25%	25%	25%	25%	25%
Exercise period	48 months from date of vesting						36 months from the date of vesting		
Vesting conditions	Employee to be in service at the time of vesting								
Weighted average remaining contractual life (years)									
-I	-	-	-	-	-	-	1.76	2.76	3.76
-II	-	-	-	-	-	0.75	2.76	3.76	4.76
-III	-	-	-	0.25	0.76	1.76	3.76	4.76	5.76
-IV	-	-	-	1.25	1.76	2.76	4.76	5.76	6.76
Weighted average exercise price per option (₹)	27.00	27.00	39.86	63.90	84.47	120.87	786.91	595.68	902.60
Weighted average fair value of options (₹)	-	18.73	38.46	75.78	61.95	86.27	224.32	167.40	265.13

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Employee stock options (Continued)

Additional disclosures for Tranche IX - granted during the current year and Tranche VIII - in previous year:

Particulars	Tranche IX	Tranche VIII	Tranche VII
Share price on the date of Grant (in ₹)	915.30	597.30	768.85
Expected volatility (%)			
I	45.60%	44.44%	58.89%
II	47.21%	43.38%	52.16%
III	45.03%	51.03%	49.37%
IV	44.79%	49.42%	49.82%
Risk free interest rate (%)			
I	7.13%	5.10%	4.34%
II	7.29%	5.65%	4.99%
III	7.40%	6.12%	5.62%
IV	7.44%	6.46%	6.03%
Fair value per option (in ₹)			
I	198.44	116.67	184.06
II	253.55	144.49	207.75
III	286.55	193.85	235.3
IV	321.99	214.58	270.19

Reconciliation of options:

Particulars	March 31, 2023	March 31, 2022
Tranche I		
Options outstanding at the beginning of the year	-	-
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-
Tranche II		
Options outstanding at the beginning of the year	-	4,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	1,500
Expired during the year	-	2,500
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-
Tranche III		
Options outstanding at the beginning of the year	4,500	7,500
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	3,000	1,500
Expired during the year	1,500	1,500
Outstanding at the end of the year	-	4,500
Exercisable at the end of the year	-	4,500

Employee stock options (Continued)

Reconciliation of options: (Continued)

Particulars	March 31, 2023	March 31, 2022
Tranche IV		
Options outstanding at the beginning of the year	156,750	183,250
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	99,500	26,500
Expired during the year	-	-
Outstanding at the end of the year	57,250	156,750
Exercisable at the end of the year	57,250	156,750
Tranche V		
Options outstanding at the beginning of the year	215,250	313,950
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	78,350	98,700
Expired during the year	5,000	-
Outstanding at the end of the year	131,900	215,250
Exercisable at the end of the year	131,900	215,250
Tranche VI		
Options outstanding at the beginning of the year	354,261	520,343
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	162,006	154,256
Expired during the year	9,646	11,826
Outstanding at the end of the year	182,609	354,261
Exercisable at the end of the year	182,609	354,261
Tranche VII		
Options outstanding at the beginning of the year	332,125	375,900
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	8,100	1,850
Expired during the year	17,950	41,925
Outstanding at the end of the year	306,075	332,125
Exercisable at the end of the year	149,225	82,150
Tranche VIII		
Options outstanding at the beginning of the year	1,029,300	-
Granted during the year	-	1,029,300
Forfeited during the year	-	-
Exercised during the year	13,790	-
Expired during the year	37,700	-
Outstanding at the end of the year	977,810	1,029,300
Exercisable at the end of the year	236,210	-
Tranche IX		
Options outstanding at the beginning of the year	-	-
Granted during the year	768,600	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	768,600	-
Exercisable at the end of the year	-	-

39 Revenue from contracts with customers

₹ in crore

(A)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Type of services		
Service fees for management of assigned portfolio of loans	0.03	0.06
Service and administration charges	1.23	2.44
Distribution Income	18.25	10.72
Advertisement display income	3.07	4.72
Total	**22.58**	**17.94**

(B) Geographical markets

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
India	22.58	17.94
Outside India	-	-
Total	**22.58**	**17.94**

(C) Timing of revenue recognition

₹ in crore

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Services transferred at a point in time	22.58	17.94
Services transferred over time	-	-
Total	**22.58**	**17.94**

(D) Receivables

₹ in crore

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Distribution income	8.13	4.02	1.07

40 Financial instruments – fair values

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

₹ in crore

Financial assets (assets measured at fair value)	March 31, 2023			March 31, 2022			March 31, 2021		
	Fair value			Fair value			Fair value		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Loans (measured at FVOCI)	-	-	-	-	-	11,246.06	-	-	8,893.33
Investments	-	-	0.54	-	-	0.53	-	-	0.54
Derivative financial instruments	-	31.63	-	-	-	-	-	-	-
Total	**-**	**31.63**	**0.54**	**-**	**-**	**11,246.59**	**-**	**-**	**8,893.87**
Financial Liabilities									
Derivative financial instruments	-	-	-	-	1.66	-	-	-	-
Total	**-**	**-**	**-**	**-**	**1.66**	**-**	**-**	**-**	**-**

Fair values of Loans designated under FVOCI have been measured under level 3 at fair value based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The Significant Unobservable Input is the Discount rate, determined using the cost of lending of the Group.

₹ in crore

Fair value of financial assets and liabilities measured at amortised cost	March 31, 2023				March 31, 2022				March 31, 2021			
	Amortised cost	Fair value			Amor-tised cost	Fair value			Amortised cost	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Loans	19,043.34	-	-	18,952.66	3,519.27	-	-	3,685.49	2,827.15	-	-	2,870.87
Investment (G-sec)	453.98	-	-	431.18	-	-	-	-	-	-	-	-
Total	**19,043.34**	**-**	**-**	**19,383.84**	**3,519.27**	**-**	**-**	**3,685.49**	**2,827.15**	**-**	**-**	**2,870.87**
Debt securities	1,672.35	-	-	1,694.06	1,418.10	-	-	1,437.35	1,674.95	-	-	1,710.68
Borrowings (other than debt securities)	14,562.00	-	-	14,617.50	11,424.85	-	-	11,489.41	9,163.68	-	-	9,229.93
Subordinated liabilities	77.91	-	-	83.11	77.74	-	-	84.82	102.70	-	-	113.61
Lease liabilities	78.51	-	-	79.22	85.00	-	-	89.12	75.34	-	-	75.72
Total	**16,390.77**	**-**	**-**	**16,473.89**	**13,005.69**	**-**	**-**	**13,100.70**	**11,016.67**	**-**	**-**	**11,129.94**

Note:

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets and payables are considered to be the same as their fair values, due to their short-term nature.

There were no transfers between Level 3 and Level 1 / Level 2 during the current year.

Fair values of Loans measured at amortised cost have been measured based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The significant unobservable input is the discount rate, determined using the cost of lending of the Group.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Loans (measured at amortised cost)

Fair values of Loans measured at amortised cost have been measured based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The significant unobservable input is the discount rate, determined using the cost of lending of the Group.

Financial liabilities measured at amortised cost

The fair value of fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rate being charged for new borrowings. The fair value of floating rate borrowing is deemed to equal its carrying value.

41 Risk Management

41.1 Introduction and risk profile

CreditAccess Grameen Limited (the 'Holding Company) is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Company predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, children's education, sanitation and personal emergency loans. With a view to diversifying the product profile, the company has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The major risks for the company are credit, operational, market, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

41.1.a Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.The Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Group. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Board has a Risk Management committee which is responsible for monitoring the overall risk process within the Group and reports to the Board of Directors.

The Risk Management guidelines will be implemented through the established organization structure of Risk Department. The overall monitoring of the Risks is done by the Chief Risk Officer (CRO) with the support from all the department heads of the Group. The Board reviews the status and progress of the risk and risk management system, on a quarterly basis through the Audit Committee and Risk Management Committee. The individual departments are responsible for ensuring implementation of the risk management framework and policies, systems and methodologies as approved by the Board. Assignment of responsibilities in relation to risk management is prerogative of the Heads of Departments, in coordination with CRO. While each department focuses on its specific area of activity, the Risk Management Unit operates in coordination with all other departments, utilising all significant information sourced to ensure effective management of risks in accordance with the guidelines approved by the Board. The unit works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

Heads of Departments is accountable to a Management Level Risk Committee (MLRC) comprising of MD&CEO, CFO, CAO, Deputy CEO & CBO, CTO and CRO. The departmental heads will report for the implementation of above mentioned guideline within their respective areas of responsibility. The department heads are also accountable to the MLRC for identification, assessment, aggregation, reporting and monitoring of the risk related to their respective domain.

The Group's policy is that risk management processes throughout the Group are audited by the Internal Audit function, which examines both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Audit Committee.

41.1.b Risk mitigation and risk culture

Risk assessments are conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Group. Procedures are established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Group formulates its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation is planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss.

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

41.1.c Risk measurement and reporting systems

The heads of all the departments in association with risk management department are responsible for coordinating the systems for identifying risks within their own department or business activity through RCSA exercise to be conducted at regular intervals.

Based on a cost / benefit assessment of a risk, as is undertaken, some risks may be judged as having to be accepted because it is believed mitigation is not possible or warranted.

As the risk exposure of any business may undergo change from time to time due to continuously changing environment, the updation of the Risk Register will be done on a regular basis.

All the strategies with respect to managing these major risks shall be monitored by the CRO and MLRC.

The Management Level Risk Committee meetings are held as necessary or once a month. The Management Level Risk Committee would monitor the management of major risks specifically and other risks of the Group in general. The Committee takes an integrated view of the risks facing the entity and monitor implementation of the directives received from Risk Management Committee and actionable items drawn from the risk management framework.

Accordingly, the Management Level Risk Committee reviews the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of Key Risk Threshold breaches (KRI's), consequent actions taken and review of operational loss events, if any.
- Review of process compliances across organisation.
- Review of HR management, training and employee attrition.
- Review of new initiatives and product/policy/process changes.
- Discuss and review performance of IT systems.
- Review, where necessary, policies that have a bearing on the operational & credit risk management and recommend amendments.
- Discuss and recommend suitable controls/mitigations for managing operational & credit risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/ mitigating the same.

41.1.d Risk Management Strategies

Excessive risk concentrations

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

The following management strategies and policies are adopted by the Group to manage the various key risks.

Political Risk mitigation measures:

• Low cost operations and low pricing for customers.
• Customer centric approach, high customer retention.
• Rural focus.
• Systematic customer awareness activities.
• High social focused activities.
• Adherence to client protection guidelines.
• Robust grievance redressal mechanism.
• Adherence to regulatory guidelines in letter and spirit.

Concentration risk mitigation measures:

• District centric approach.
• District exposure cap.
• Restriction on growth in urban locations.
• Maximum disbursement cap per loan account.
• Maximum loan exposure cap per customer.
• Diversified funding resources.

Operational & HR Risk mitigation measures:

• Stringent customer enrolment process.
• Multiple products.
• Proper recruitment policy and appraisal system.
• Adequately trained field force.
• Weekly & fortnightly collections – higher customer touch, lower amount instalments.
• Multilevel monitoring framework.
• Strong, Independent and fully automated Internal Audit function.
• Strong IT system with access to real time client and loan data.

Liquidity risk mitigation measures:

• Diversified funding resources.
• Asset liability management.
• Effective fund management.
• Maximum cash holding cap.

Expansion risk mitigation measures:

• Contiguous growth.
• District centric approach.
• Rural focus.
• Branch selection based on census data & credit bureau data.
• Three level survey of the location selected.

Credit risk

Credit risk is the risk of financial loss to the Group if the counterparty to a financial instrument, whether a customer or otherwise, fails to meet its contractual obligations towards the Group. Credit risk is the core business risk of the Grouo. The Group therefore has high appetite for this risk but low tolerance and the governance structures including the internal control systems are particularly designed to manage and mitigate this risk. The Group is mainly exposed to credit risk from loans to customers (including loans transferred to SPVs under securitization agreements, excluding loans sold under assignment presented as off-balance sheet assets).

The credit risk may arise due to, over borrowing by customers or over lending by other financial institutions competitors, gaps in joint-liability collateral and repayment issues due to external factors such as political, community influence, regulatory changes and natural disasters (storm, earthquakes, fires, floods) and intentional default by customers.

To address credit risk, the Group has stringent credit policies for customer selection. To ensure the credit worthiness of the customers, stringent underwriting policies such as credit investigation, both in-house and field credit verification, is in place. In addition, the compnay follows a systematic methodology in the selection of new geographies where to open branches considering factors such as the portfolio at risk and over indebtedness of the proposed area/region, potential for micro-lending and socio-economic risk evaluation (e.g., the risk of local riots or natural disasters). Loan sanction and rejections are carried out at the head office. A credit bureau rejections analysis is also regularly carried out in Group. Credit risk is being managed by continuously monitoring the borrower's performance if borrowers are paying on time based on their amortization dues. The Group ensures stringent monitoring and quality operations through both field supervision (branch/area/region staff supervision, quality control team supervision) and management review. Management at each Compnay's head office closely monitors credit risk through system generated reports (e.g., PAR status and PAR movement, portfolio concentration analysis, vintage analysis, flow-rate analysis) and Key Risk Indicators (KRIs) which include proactive actionable thresholds limits (acceptable, watch and breach) developed by CRO, revised at the the MLRC and at the Risk Committee at the Board level.

Some of the main strategies to mitigate credit risk are:

1. Maintain stringent customer enrolment process,
2. Undertake systematic customer awareness activities/ programs,
3. Reduce geographical concentration of portfolio,
4. Maximum loan exposure to member as determined from time to time,
5. Modify product characteristics if needed (e.g., longer maturity for group clients in case the loan is above a certain threshold),
6. Carry out due diligence of new employees and adequate training at induction,
7. Decrease field staff turnover,
8. Supporting technologies: credit bureau checks, GPS tagging and KYC checks.

The exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the country in which the customers are located, as these factors may have an influence on the credit risk.

41.2 Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

41.2.a Definition of default, significant increase in credit risk and stage assessment

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1: includes loans for which the credit risk at the reporting date is in line with the credit risk at initial recognition (i.e. disbursement date).

Stage 2: includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk i.e. SICR).

Stage 3: includes default loans. A loan is considered default at the earlier of (i) the Group considers that the obligor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing collateral (if held); or (ii) the obligor is past due more than 90 days on any material credit obligation to the Group.

Further, the RBI on March 27, 2020, April 17, 2020 and May 23, 2020, announced 'COVID-19 Regulatory Package' on asset classification and provisioning. In terms of these RBI guidelines, the Group granted a moratorium on the repayment of all Installments and/or Interest, as applicable, due between March 1, 2020 and August 31, 2020 to all eligible borrowers. In respect of such accounts that were granted moratorium, the moratorium period has been excluded from determining overdue days.

The accounts which were restructured under the resolution Framework for Covid-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) were initially classified under Stage-2.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument.

(i) Staging classification of Joint Liability Group (JLG) loans of Group

Unlike banks which have more of monthly repayments, the Group offers products with primarily weekly/biweekly repayment frequency, whereby 15 and above Days past due ('DPD') means minimum 2 missed instalments from the borrower, and accordingly, the Group has identified the following stage classification to be the most appropriate for such products :

Stage 1: 0 to 15 DPD.

Stage 2: 16 to 60 DPD (SICR).

Stage 3: above 60 DPD (Default).

(ii) Self Help groups (SHG)

The Group has identified the following stage classification to be the most appropriate for its loans as these loans are mainly on monthly repayment basis:

Stage 1: 0 to 30 DPD.

Stage 2: 31 to 60 DPD (SICR).

Stage 3: Above 60 DPD (Default).

(iii) Staging classification of Individual Loans of the Group

For monthly repayment model, the Group has identified the following stage classification to be the most appropriate for these loans :

Stage 1: 0 to 30 DPD.

Stage 2: 31 to 90 DPD (SICR).

Stage 3: Above 90 DPD (Default).

41.2.b Probability of Default ('PD')

(i) Group lending (Including SHG)

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each loan account separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of loan outstanding in stage 1 moving into stage 3 in 12-months' time.

PD for stage 2: is derived as %age of loan outstanding in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.

PD for stage 3: is derived as 100% in line with accounting standard

(ii) Individual Loans

Individual loans is a relatively new portfolio that was started in November 2016. Performance history of matured vintage loan is not available in adequate number to build PD or LGD model. The ECL estimation for Individual loans portfolio is carried out using a method which is based on management judgement.

41.2.c Exposure at default (EAD)

Exposure at default (EAD) is the sum of outstanding principal and the interest amount accrued but not received on each loan as at reporting date.

41.2 .d Loss given default (LGD)

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.

(i) Group lending loans (including SHG)

LGD is computed as below:

The Group determines its expectation of lifetime loss by estimating recoveries towards its loan through analysis of historical information. The Group determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. LGD is the difference between the exposure at default(EAD) and discounted recovery amount ; this is expressed as percentage of EAD.

(ii) Individual loans

Individual loans is a relatively new portfolio that was started in November 2016. Performance history of matured vintage loan is not available in adequate number to build PD or LGD model. The ECL estimation for individual loans portfolio is carried out using a methodology which is based on management judgement.

41.2 .e Grouping financial assets measured on a collective basis

The Group believes that the Joint Group Lending loans (JLG) have shared risk characteristics (i.e. homogeneous) while SHG loans and Individual loans (IL) have risk characteristics different from JLG loans. Therefore, JLG, SHG and IL are treated as three separate groups for the purpose of determining impairment allowance.

41.2 .f The Group's Loan book consists of a large number of customers spread over diverse geographical area, hence the Group is not exposed to concentration risk with respect to any particular customer.

41.2 .g Analysis of inputs to the ECL model under multiple economic scenarios

ECL estimates are subject to adjustment based on the output of macroeconomic model which incorporates forward looking assessment of the economic environment under which the Group operates in the form of Management overlay.

41.3 Capital

The Group actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.

Capital management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

Planning

The Group's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks– which include credit, operational, liquidity and interest rate.

The Group monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its Assets Liability Management Committee (ALCO).

The Group endeavours to maintain its CRAR higher than the mandated regulatory norm of 15%. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

41.4 Liquidity risk and funding management

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Group may face an asset-liability mismatch caused by a difference in the maturity profile of its assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are Liquidity Risk mitigation measures put in place which helps in maintaining the following:

Diversified funding resources:

The Group's treasury department secures funds from multiple sources, including banks, financial institutions and capital markets and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Group continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of the loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

Asset Liability Management (ALM) can be termed as a risk management technique designed to earn an adequate return while maintaining a comfortable surplus of assets over liabilities. ALM, among other functions, is also concerned with risk management and provides a comprehensive as well as dynamic framework for measuring, monitoring and managing liquidity and interest rate risks. ALM is an integral part of the financial management process of the Group. It is concerned with strategic balance sheet management, involving risks caused by changes in the interest rates and the liquidity position of CAGL. It involves assessment of various types of risks and altering the asset-liability portfolio in a dynamic way in order to manage risks.

ALM committee constitutes of Board of Directors who would review the tolerance limits for liquidity/ interest rate risks and would recommend to Board of Directors for its approval from time to time. As per the directions of the Board, the ALM statements would be reported to the ALM committee on quarterly basis for necessary guidance.

The scope of ALM function can be described as follows:

i. Funding and Capital Managementm,

ii. Liquidity risk management,

iii. Interest Rate risk management,

iv. Forecasting and analyzing 'What if scenario' and preparation of contingency plans.

Capital guidelines ensure the maintenance and independent management of prudent capital levels for CAGL to preserve the safety and soundness of the Group, to support desired balance sheet growth and the realization of new business; and to provide a cushion against unexpected losses.

Liquidity assessment as on March 31, 2023

₹ in crore

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*									
Debt securities	611.49	633.88	704.10	2,303.14	3,945.00	7,199.74	686.31	-	16,083.66
Borrowings (other than debt securities)	135.06	79.47	61.56	221.04	264.46	905.73	289.82	-	1,957.14
Subordinated liabilities	6.42	6.86	8.18	24.26	53.96	97.25	12.94	-	209.87
Total	**752.97**	**720.21**	**773.84**	**2,548.44**	**4,263.42**	**8,202.72**	**989.07**	**-**	**18,250.67**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

Liquidity assessment as on March 31, 2022

₹ in crore

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*									
Debt securities	145.26	39.04	88.52	166.71	213.09	929.32	-	-	1,581.94
Borrowings (other than debt securities)	609.87	575.76	597.91	2,168.79	3,285.20	5,082.17	171.98	-	12,491.67
Subordinated liabilities	1.66	1.72	2.54	5.99	19.45	105.16	69.00	166.98	372.50
Total	**756.79**	**616.52**	**688.98**	**2,341.49**	**3,517.75**	**6,116.65**	**240.98**	**166.98**	**14,446.11**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

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41.5 Market Risk

41.5.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading or non–trading portfolios and manages each of those portfolios separately.

41.5.2 Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the Group's financial condition. The immediate impact of changes in interest rates is on earnings (i.e. reported profits) by changing its Net Interest Margin (NIM). The risk from the earnings perspective can be measured as changes in Net Interest Margin (NIM). In line with RBI guidelines, the traditional Gap analysis is considered as a suitable method to measure the Interest Rate Risk for the Group.

In case of CAGL it may be noted that portfolio loans are not rate sensitive as there is no re-pricing of existing loans carried out. Only some of the liabilities in the form of borrowings are rate sensitive and considering the size of our business the quantum of impact of change of interest rate of borrowings on liquidity is not significant and can be managed with appropriate treasury action.

The following table demonstrates the sensitivity to a reasonably possible charge in interest rates (all other variables being constant) of the Group's profit and loss statement.

₹ in crore

Particulars	Basis points	Effect on profit / loss and equity for the year 2022-23	Effect on profit / loss and equity for the year 2021-22
Borrowings			
Increase in basis points	+ 25	(19.96)	(16.48)
Decrease in basis points	- 25	19.96	16.48

41.5.3 Currency risk

Group risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract.

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
	USD	USD	USD
Liability – External Commercial Borrowings	195,000,000	15,000,000	-
Assets – Cross Currency Interest rate Swap Contract	195,000,000	15,000,000	-

41.5.4 Hedging Policy

The Group's Hedging Policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationship where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and qualitative assessment of effectiveness is performed.

In respect of Interest rate swaps, there is an economic relationship between the hedged item and the hedging instrument as the terms of the Interest Rate swap contract match that of the foreign currency borrowing (notional amount, interest repayment date etc.). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap are identical to the hedged risk components.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the '(Gain) / Loss in Fair Value of Derivatives' line item.

Impact of hedge on the balance sheet

₹ in crore

Particulars	Year	Notional amount	Carrying amount of hedging instrument assets	Carrying amount of hedging instrument Liability
INR USD CCIRS	March 31, 2021	-	-	-
INR USD CCIRS	March 31, 2022	111.75	-	1.66
INR USD CCIRS	March 31, 2023	1,575.32	31.63	-

41.5.5 Changes in liabilities arising from financing activities

₹ in crore

Particulars	As at March 31,2022	Cash flows (Net)	Changes in fair value	Exchange difference	Others	As at March 31, 2023
Debt securities	1,418.10	256.34	-	-	(2.09)	1,672.35
Borrowings (other than debt securities)	11,424.85	3,123.33	-	-	13.81	14,562.00
Subordinated liabilities	77.74	(0.44)	-	-	0.61	77.91
Lease liabilities	85.00	(18.89)	-	-	12.40	78.51
Total liabilities from financing activities	**13,005.69**	**3,360.34**	**-**	**-**	**24.73**	**16,390.77**

₹ in crore

Particulars	As at March 31,2021	Cash flows (Net)	Changes in fair value	Exchange difference	Others	As at March 31, 2022
Debt securities	1,674.95	(257.19)	-	-	0.34	1,418.10
Borrowings (other than debt securities)	9,163.68	2,264.41	-	-	(3.24)	11,424.85
Subordinated liabilities	102.70	(25.00)	-	-	0.04	77.74
Lease liabilities	75.34	(18.36)	-	-	28.03	85.00
Total liabilities from financing activities	**11,016.67**	**1,963.86**	**-**	**-**	**25.16**	**13,005.69**

42 Operating segments

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company. The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure. No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2023 and March 31, 2022.

43 Amalgamation of Madhura Micro Finance Limited ("MMFL") with the Holding Company

(i) Madhura Micro Finance Limited ("MMFL") was subsidiary of the Holding Company and both the Companies are NBFCs MFI registered with RBI. The Board of directors of MMFL and the Holding Company had approved the scheme of amalgamation by way of merger by absorption ("Scheme") of MMFL (referred as "Transferor Company") with the Holding Company (referred as "Transferee Company") on November 27, 2019 effective from April 01, 2020 (Appointed date). The Scheme was also approved by the equity shareholders of both the Companies pending for subsequent approvals by the National Company Law Tribunal ('NCLT').

The Holding Company received order of amalgamation of MMFL (subsidiary of the Company) with CreditAccess Grameen Limited effective from April 1, 2020 from the Hon'ble 'NCLT', Chennai Bench vide its order dated October 12, 2022, and the Hon'ble NCLT Bengaluru Bench, vide its order dated February 07, 2023.

(ii) Pursuant to receipt of necessary orders from NCLT Bengaluru and Chennai sanctioning the scheme of amalgamation by way of merger by absorption of MMFL with the Holding Company, under Sections 230 to 232 of the Companies Act, 2013, the Scheme became effective on February 15, 2023. The Holding Company has accounted for the amalgamation on and from the Appointed date, i.e., April 1, 2020, as specified in Scheme.

Due to the aforesaid merger being effective from the Appointed date i.e. April 1, 2020, the Financial Statements of the Holding Company for the previous years have been recast/restated.

(iii) Break down of the total purchase consideration into net value of assets, liabilities and reserve transfer is as under:

₹ in crore

Particulars	Amount
I. Consideration paid for acquisition	**869.13**
Assets, Liabilities and Reserves transferred	
a. Assets acquired on appointed date	2,311.5
b. Liabilities transferred on appointed date	1,801.7
c. Reserves transferred on appointed date	60.52
d. Equity adjustment on account of subsequent acquisition before appointed date	3.33
e. Deferred tax adjustment post merger (refer note below 43 (iv))	40.84
II. Net Value (a-b-c+d)	**493.4**
III. Goodwill (II -I)	**375.68**

(iv) At the time of acquisition of MMFL, the Company recorded deferred tax liability in consolidated financial statements on Customer relationship of ₹ 40.84 Crore. After amalgamation of MMFL with the Holding Company, the company considers that Customer relationship assets are eligible for tax Depreciation from appointed date April 1, 2020. Hence, in accordance with the Indian Accounting Standard 12 'Income taxes', Holding Company has reversed the deferred tax liability on Customer relationship assets in the financial statements.

(v) Holding Company has considered the shares issued in amalgamation transaction while calculating basic and dilutive EPS for the year ended March 31, 2023 and March 31, 2022, as the appointed date was April 1, 2020. (Refer note 45)

44 Other Disclosures

(i) No Benami Property is held by the Group and/or there are no proceedings that have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Group has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

(iii) There were no delay in repayment of borrowings and Subordinated liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021.

(iv) There are no charges or satisfaction in relation to any debt / borrowings which are yet to be registered with ROC beyond the statutory period.

(v) The Holding Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vi) Other than the transactions that are carried out as part of Company normal lending business:

A) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year

(viii) There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

(ix) Income tax Demand Notice

During the year, the Holding Company has received a demand notice for an amount of ₹ 122.63 crore pertaining to Income tax for AY 2018-19. The matter is mainly on the department's contention of excess consideration received by the Holding Company on conversion of Compulsorily Convertible Debentures (CCDs) into its equity shares. As per Holding Company's assessment, the probability of the liability devolving on the Company is remote and accordingly, the same is neither been provided for nor been considered as contingent liability.

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(x) Analytical Ratios:

CreditAccess Grameen Limited for March 31, 2023 ₹ in crore

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
- Tier I CRAR	4,393.04	19,359.74	22.69%	25.87%	-12.28%	N/A
- Tier II CRAR	172.31	19,359.74	0.89%	0.67%	33.52%	#
Liquidity Coverage Ratio	583.31	289.57	201.44%	389.66%	-48.30%	$

increase in stage 1 provisioning %.
$ Same is Maintained higer then as per RBI mandate.

CreditAccess Grameen Limited for March 31, 2022 ₹ in crore

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
-Tier I CRAR	3,268.63	12,635.04	25.87%	30.50%	-15.19%	N/A
- Tier II CRAR	84.22	12,635.04	0.67%	1.25%	-46.67%	#
Liquidity Coverage Ratio	805.65	206.76	389.66%	135.39%	187.81%	##

Subordinated liabilities is fully paid during the current financial year.
Higher liquidity maintained during the March 31, 2022

45 Earnings per share (EPS)

The following reflects the profit after tax and equity share data used in the basic and diluted EPS calculations:

Particulars	March 31, 2023	March 31, 2022
Net profit after tax as per statement of profit and loss (₹ in crore)	826.06	353.07
Net profit as above for calculation of basic EPS and diluted EPS (₹ in crore)	826.06	353.07
Weighted average number of equity shares in calculating basic EPS *	158,735,423	158,398,951
Stock options granted under ESOP	684,988	622,097
Weighted average number of equity shares in calculating dilutive EPS	159,420,412	159,021,047
Earnings per share	52.04	22.29
Dilutive earnings per share	51.82	22.20
Nominal value per share	10.00	10.00

*Company considered share issued in business combination transaction while calculating Basis and dilutive EPS for the year ended March 31, 2023 and March 31, 2022. (refer note 43).

46 **Additional Information as required under Schedule III of Companies Act, 2013, of enterprises consolidated as subsdiary.**

Particulars	March 31, 2023		March 31, 2022	
	Net assets, i.e total assets		Net assets, i.e total assets	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated net assets	Amount (₹ in crore)
Holding Company				
CreditAccess Grameen Limited	100.00%	21,858.06	100.00%	17,481.72
Subsidiary				
CreditAccess India Foundation	0.00%	0.09	0.00%	0.27
Consolidation adjustment	0.00%	-0.05	0.00%	-0.04
Total	**100.00%**	**21,858.10**	**100.00%**	**17,481.95**

Particulars	March 31, 2023			
	Share in profit or loss account		Share in total comprehensive income	
	As % of consolidated profit or loss	Amount (₹ in crore)	As % of consolidated other comprehensive Income/(loss)	Amount (₹ in crore)
Holding Company				
CreditAccess Grameen Limited	100.00%	826.03	100.00%	8.41
Subsidiary				
CreditAccess India Foundation	0.00%	0.02	0.00%	-
Consolidation adjustment	0.00%	0.01	0.00%	-
Total	**100.00%**	**826.06**	**100.00%**	**8.41**

Particulars	March 31, 2022			
	Share in profit or loss account		Share in total comprehensive income	
	As % of consolidated profit or loss	Amount (₹ in crore)	As % of consolidated other comprehensive Income/(loss)	Amount (₹ in crore)
Holding Company				
CreditAccess Grameen Limited	100.00%	353.08	100.00%	(85.36)
Subsidiary				
CreditAccess India Foundation	-0.01%	(0.02)	0.00%	-
Consolidation adjustment	0.00%	0.01	0.00%	-
Total	**100.00%**	**353.07**	**100.00%**	**(85.36)**

47 Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/disclosure adopted in the current year.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
ICAI Firm's Registration Number: 008072S

G K Subramaniam
Partner
Membership No. 109839

Place: Bengaluru
Date: May 16, 2023

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 16, 2023

For and on behalf of Board of Directors of CreditAccess Grameen Limited

Udaya Kumar Hebbar
Managing Director & CEO
DIN: 07235226

Manoj Kumar
Independent Director
DIN: 02924675

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 16, 2023

CORPORATE INFORMATION

CORPORATE INFORMATION

Directors

Mr. George Joseph	Chairman & Lead Independent Director
Mr. Paolo Brichetti	Non-Executive Director & Vice-Chairman *(w.e.f. 21.10.2022)*
Mr. Udaya Kumar Hebbar	Managing Director & CEO
Mr. Manoj Kumar	Independent Director
Mr. Sumit Kumar	Nominee Director
Mr. Massimo Vita	Nominee Director
Ms. Lilian Jessie Paul	Independent Director
Ms. Rekha Warriar	Independent Director *(w.e.f. 21.10.2022)*

Dy. CEO & Chief Business Officer

Mr. Ganesh Narayanan

Chief Financial Officer

Mr. S. Balakrishna Kamath

Company Secretary & Chief Compliance Officer

Mr. M. J. Mahadev Prakash

Board Committees

Audit Committee

Mr. George Joseph (Chairman)
Mr. Manoj Kumar
Ms. Rekha Warriar
Mr. Massimo Vita

Stakeholders' Relationship Committee

Ms. Lilian Jessie Paul (Chairperson)
Mr. George Joseph
Mr. Udaya Kumar

Corporate Social Responsibility & ESG Committee

Mr. Udaya Kumar (Chairman)
Mr. Massimo Vita
Mr. Manoj Kumar
Ms. Lilian Jessie Paul

Nomination & Remuneration Committee

Mr. Manoj Kumar (Chairman)
Ms. Lilian Jessie Paul
Mr. Paolo Brichetti

Risk Management Committee

Mr. Massimo Vita (Chairman)
Mr. George Joseph
Mr. Sumit Kumar
Mr. Udaya Kumar
Ms. Rekha Warriar

Asset - Liability Management Committee

Mr. Udaya Kumar (Chairman)
Mr. George Joseph
Mr. Sumit Kumar
Mr. Massimo Vita

IT Strategy Committee

Mr. Manoj Kumar (Chairman)
Mr. Sumit Kumar
Mr. Udaya Kumar
Mr. Paolo Brichetti
Mr. Sudesh Puthran
Mr. Ravi Rathinam

Joint Statutory Auditors

Deloitte Haskins & Sells
Chartered Accountants

PKF Sridhar & Santhanam LLP
Chartered Accountants

Debenture Trustees

Beacon Trusteeship Limited
4C, Siddhivinayak Chambers,
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Email: contact@beacontrustee.co.in

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Email: Helpdesk@sbicaptrustee.com

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Email: debenturetrustee@axistrustee.in

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Email: itsl@idbitrustee.com

Executive, Borrowings & Investment Committee

Mr. Udaya Kumar (Chairman)
Mr. Manoj Kumar
Mr. S. Balakrishna Kamath

Secretarial Auditors

M. Damodaran & Associates LLP
Practicing Company Secretaries

Registrar and Share Transfer Agent

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Financial District Nanakramguda,
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Phone:(040) 67162222
Email: einward.ris@kfintech.com

Registered Office

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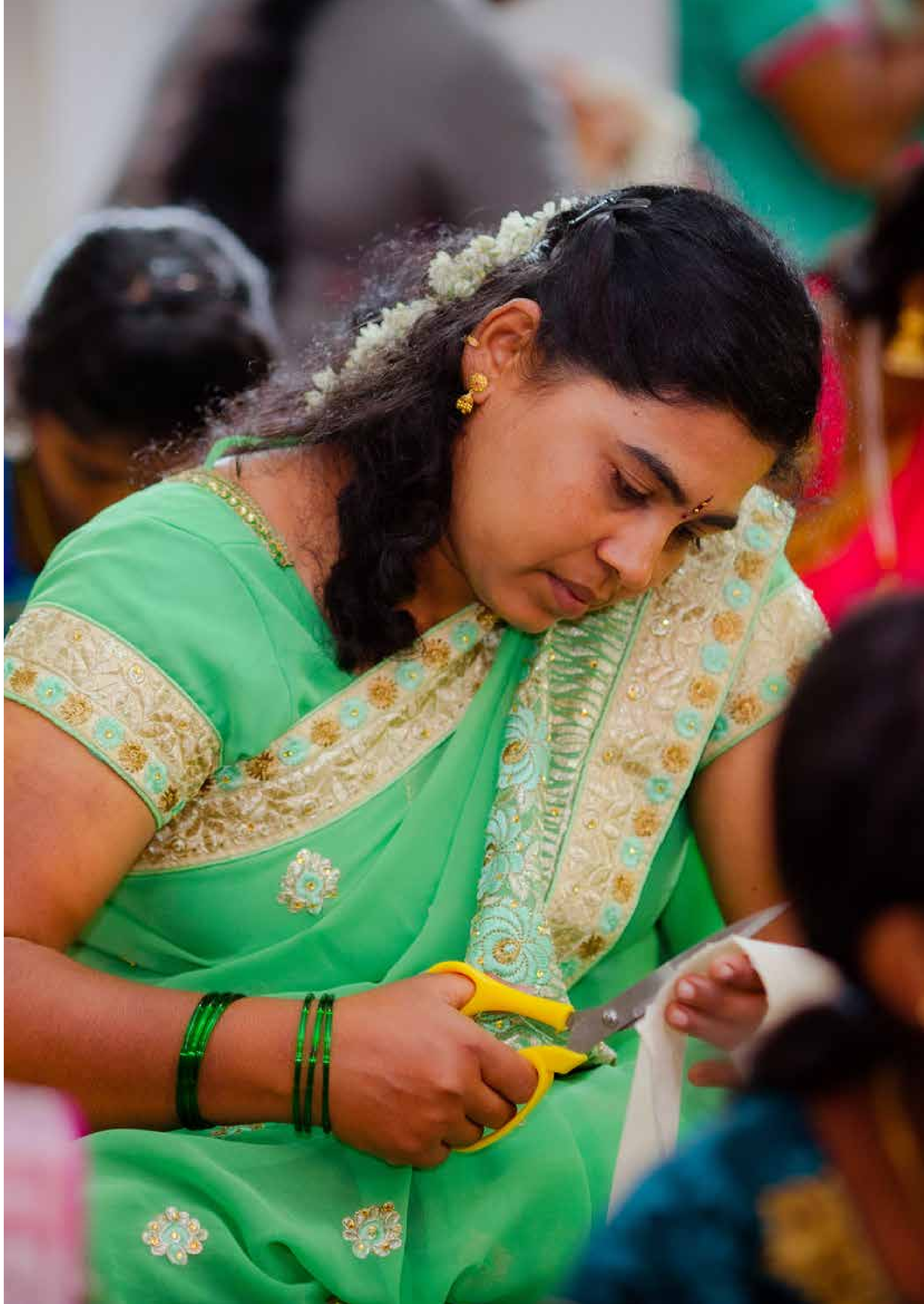
Bangalore -560070

Corporate Identification Number (CIN):

L51216KA1991PLC053425

Website:

www.creditaccessgrameen.in



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JAN 2023 – JAN 2024
INDIA

CreditAccess Grameen
Since 1999
25
Years of Excellence & Women Empowerment

Our Brands

Financial Products		CSR Wing	
	GrameenKoota Micro Finance		CreditAccess India Foundation
	GrameenKoota Retail Finance	Customer Awareness Program	GrameenKoota Jagruti

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