

February 07, 2023

**To**

**BSE Limited**

**Phiroze Jeejeebhoy Towers**

**Dalal Street**

**Mumbai- 400001**

*Scrip code: 541770*

**National Stock Exchange of India Limited**

**The Exchange Plaza**

**Bandra Kurla Complex**

**Bandra (East), Mumbai 400051**

*Scrip code: CREDITACC*

Dear Sir/Madam,

**Sub.: Submission of Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter and Nine Months ended December 31, 2022.**

We herewith enclose the unaudited Standalone and Consolidated Financial Results of the Company for the Quarter and Nine Months ended December 31, 2022, as approved and adopted by the Board of Directors along with Limited Review Report, Investors' Presentation and Press Release.

The same are also hosted on the website of the company at [www.creditaccessgrameen.in](http://www.creditaccessgrameen.in)

Please take the same on record.

Thanking you,

**Yours Truly**

**For CreditAccess Grameen Limited**

**M. J. Mahadev Prakash**

**Company Secretary & Chief Compliance Officer**

*Encl.: as above*

**Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2022**

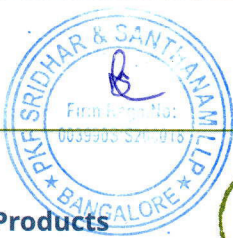
₹ in crore

Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31-Dec-22 (Unaudited)	30-Sep-22 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-21 (Unaudited)	31-Mar-22 (Audited)
	<b>Revenue from operations</b>						
(a)	Interest income	719.77	644.68	544.89	1,971.79	1,520.51	2,124.79
(b)	Fees and commission	5.21	4.23	3.33	11.14	7.86	13.22
(c)	Net gain on fair value changes	3.75	3.77	0.64	12.37	25.15	86.42
(d)	Net gain on derecognition of financial instruments under amortised cost category	19.82	10.88	-	30.70	-	-
(e)	Bad Debt recovery	10.30	7.87	26.85	25.03	42.21	64.96
I	<b>Total revenue from operations</b>	<b>758.85</b>	<b>671.43</b>	<b>575.71</b>	<b>2,051.03</b>	<b>1,595.73</b>	<b>2,289.39</b>
II	<b>Other income</b>	0.59	0.78	0.97	1.87	2.39	1.81
		<b>0.59</b>	<b>0.78</b>	<b>0.97</b>	<b>1.87</b>	<b>2.39</b>	<b>1.81</b>
III	<b>Total income (I+II)</b>	<b>759.44</b>	<b>672.21</b>	<b>576.68</b>	<b>2,052.90</b>	<b>1,598.12</b>	<b>2,291.20</b>
	<b>Expenses</b>						
(a)	Finance costs	258.71	221.26	192.50	705.61	571.60	788.13
(b)	Fee and commission expense	-	-	0.06	0.06	0.49	2.96
(c)	Impairment of financial instruments	59.28	77.95	73.77	203.57	321.15	449.44
(d)	Employee benefit expenses	104.77	105.87	91.52	309.80	261.99	353.50
(e)	Depreciation and amortisation expenses	7.80	7.92	6.31	22.56	18.89	26.23
(f)	Other expenses	64.40	52.65	40.67	160.93	114.36	158.30
IV	<b>Total expenses (IV)</b>	<b>494.96</b>	<b>465.65</b>	<b>404.83</b>	<b>1,402.53</b>	<b>1,288.48</b>	<b>1,778.56</b>
V	<b>Profit before tax (III-IV)</b>	<b>264.48</b>	<b>206.56</b>	<b>171.85</b>	<b>650.37</b>	<b>309.64</b>	<b>512.64</b>
	<b>Tax expense</b>						
(1)	Current tax	58.43	44.12	34.47	143.97	91.78	113.56
(2)	Deferred tax	8.63	3.73	8.17	17.70	(12.91)	16.94
VI	<b>Total tax expense (VI)</b>	<b>67.06</b>	<b>47.85</b>	<b>42.64</b>	<b>161.67</b>	<b>78.87</b>	<b>130.50</b>
VII	<b>Profit after tax (V-VI)</b>	<b>197.42</b>	<b>158.71</b>	<b>129.21</b>	<b>488.70</b>	<b>230.77</b>	<b>382.14</b>
VIII	<b>Other comprehensive income/ (loss)</b>						
(a)	(1) Items that will not be reclassified to profit or loss	0.45	(2.52)	0.77	(1.45)	(0.77)	0.33
	(2) Income tax relating to items that will not be reclassified to profit or loss	(0.11)	0.64	(0.19)	0.37	0.19	(0.08)
	<b>Subtotal (a)</b>	<b>0.34</b>	<b>(1.88)</b>	<b>0.58</b>	<b>(1.08)</b>	<b>(0.58)</b>	<b>0.25</b>
(b)	(1) Items that will be reclassified to profit or loss (Refer Note 8)	(8.70)	(28.75)	1.38	(1.99)	(9.77)	(114.13)
	(2) Income tax relating to items that will be reclassified to profit or loss	2.19	7.24	0.01	0.50	2.52	28.24
	<b>Subtotal (b)</b>	<b>(6.51)</b>	<b>(21.51)</b>	<b>1.39</b>	<b>(1.49)</b>	<b>(7.25)</b>	<b>(85.89)</b>
	<b>Other comprehensive income/ (loss) (VIII = a+b)</b>	<b>(6.17)</b>	<b>(23.39)</b>	<b>1.97</b>	<b>(2.57)</b>	<b>(7.83)</b>	<b>(85.64)</b>
IX	<b>Total comprehensive income (VII+VIII) (comprising profit and other comprehensive income/ (loss))</b>	<b>191.25</b>	<b>135.32</b>	<b>131.18</b>	<b>486.13</b>	<b>222.94</b>	<b>296.50</b>
X	<b>Paid-up equity share capital (face value of ₹ 10 each)</b>	156.17	156.11	155.79	156.17	155.79	155.87
XI	<b>Other Equity</b>						3,783.93
XII	<b>Earnings per equity share (face value of ₹ 10 each)</b>						
	Basic (EPS) *	12.64	10.17	8.29	31.32	14.82	24.54
	Diluted (DPS) *	12.59	10.12	8.26	31.18	14.76	24.44

\* The figures for the quarters and nine months are not annualised.



Our Financial Products


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**Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2022**

**Notes:**

1 The above results for the quarter and nine months ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 07, 2023 in accordance with the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The financial results for the quarter and nine months ended December 31, 2021 were reviewed by Deloitte Haskins & Sells, Chartered Accountants, one of the joint statutory auditors of the Company.

2 The financial results 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 Company has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2022, except as mentioned in Note 8 below.

3 On March 18, 2020, the Company had completed the acquisition of a controlling stake (76.08%) in the paid-up equity share capital of Madura Micro Finance Limited (MMFL), an NBFC-MFI registered with the Reserve Bank of India (RBI). During FY21, the Company has acquired 12,241 equity shares, representing 0.17% of the equity share capital of MMFL. Further, during FY22, the Company has acquired 4500 equity shares, representing 0.06% of the equity share capital of MMFL, taking the aggregate shareholding of the Company in MMFL as on December 31, 2022 to 76.31%.

The Board of Directors of the Company in its meeting held on November 27, 2019 had approved the scheme of amalgamation of MMFL with the Company, subject to requisite approvals from various regulatory and statutory authorities, respective shareholders and creditors. The above Scheme has been approved by the equity shareholders of both the Companies and accordingly, both the Companies had filed the Second motion petition with the respective benches of the National Company Law Tribunal. The Hon'ble NCLT Chennai vide its Order dated October 12, 2022, had approved the Scheme of Amalgamation of Madura Micro Finance Limited ("the subsidiary company") with CreditAccess Grameen Limited. The Order from the Hon'ble NCLT Bengaluru is awaited.

4 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.

5 The Company, during the quarter and nine months ended December 31, 2022 has allotted 65,274 and 3,04,386 equity shares respectively each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).

6 Disclosures in compliance with Regulation 52 (4) and 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the nine months ended December 31, 2022 is attached as Annexure I.

7 Details of loans transferred / acquired during the quarter ended December 31, 2022 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 quarter ended December 31, 2022:

₹ in crore

Particulars	Quarter ended December 31, 2022
Number of Loans	80,291
Aggregate amount	325.16
Sale consideration	297.79
Number of transactions	2
Weighted average remaining maturity (in months)	15
Weighted average holding period after origination (in months)	9
Retention of beneficial economic interest	5% to 10%
Coverage of tangible security Coverage	-
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.



**Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2022**

**Notes:**

- 8 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 now been classified as and valued at "Amortised cost" with effect from July 01, 2022. Consequently, the Company has reversed accumulated fair value loss on such IGL loans and related deferred tax in other equity on July 01, 2022.
- 9 During March-22, Board of Directors approved the issue and allotment of listed, rated, secured, redeemable, non-convertible debentures ("NCDs"), aggregating up to Rs.1500 Crore under a Shelf and Tranche Prospectus structure. During the current quarter, the Company has successfully completed issuance of NCD amounting to Rs. 500 Crore including Green shoe option of Rs. 250 Crore.
- 10 Previous year / periods figures have been regrouped / rearranged, wherever considered necessary, to conform with current period's classification.

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



**Udaya Kumar Hebbar**  
Managing Director & CEO

Bengaluru  
February 07, 2023



**Annexure - I**

(a) Disclosure in compliance with Regulations 52(4) of of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the Nine months ended December 31, 2022

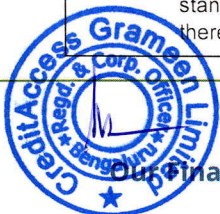
Sr. No.	Particulars	Ratio
1	Debt-Equity Ratio: *	2.51
2	Debt service coverage ratio :	Not Applicable
3	Interest service coverage ratio:	Not Applicable
4	Outstanding redeemable preference share (quantity)	Not Applicable
5	Outstanding redeemable preference share (Rs. In cr )	Not Applicable
6	Capital redemption reserve (Rs. in cr)	Not Applicable
7	Debenture redemption reserve (Rs. in cr)	Not Applicable
8	Net worth (Rs. in cr): **	4,477.54
9	Net profit after tax (Rs. in cr)	488.70
10	Earnings per equity share (* not annualised)	
(a)	Basic (Rs.)	31.32
(b)	Diluted (Rs.)	31.18
11	Current ratio: #	Not Applicable
12	Long term debt to working capital: #	Not Applicable
13	Bad debts to account receivable ratio: #	Not Applicable
14	Current liability ratio: #	Not Applicable
15	Total debts to total assets: \$	0.70
16	Debtors turnover: #	Not Applicable
17	Inventory turnover: #	Not Applicable
18	Operating margin: #	Not Applicable
19	Net profit margin: ##	23.81%
20	Sector specific equivalent ratios include following:	
(i)	Gross Stage III (%): @	1.48%
(ii)	Net Stage III (%): @@	0.42%
(iii)	Provision coverage: &	71.86%
(iv)	Capital to Risk-Weighted Assets Ratio (CRAR) % - Total ###	28.42%

**Notes:**

- \* Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/Network.
- \*\* Network is calculated as defined in section 2(57) of Companies Act 2013.
- # The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company- Micro Finance Institution, hence these ratios are not applicable.
- \$ Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/total assets.
- ## Net profit margin = Net profit after tax/ total income.
- ### Capital to Risk-Weighted Assets Ratio (CRAR) = Adjusted net worth/ Risk weighted assets, calculated as per applicable RBI guidelines.
- @ Gross Stage III (%) = Gross Stage III Loans EAD /Gross Total Loans EAD. Exposure at default (EAD) includes Loan Balance and interest thereon. Stage-III loans has been determined as per Ind AS 109.
- @@ Net Stage III = (Gross Stage III Loans EAD - Impairment loss allowance for Stage III)/ (Gross Total Loans EAD - Impairment loss allowance for Stage III).
- & Provision coverage= Total Impairment loss allowance for Stage III / Gross Stage III Loans EAD.

(b) Disclosure in compliance with Regulations 54 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

The listed Non Convertible Debentures of the Company as on December 31, 2022 are secured by exclusive charge on standard receivables ( the " Loans ") of the Company. The total Security Cover is 1.14 times of the principal and interest thereon wherever applicable for the said debentures.



**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 ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS****TO THE BOARD OF DIRECTORS OF CREDITACCESS GRAMEEN LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of CreditAccess Grameen Limited (the "Company"), for the quarter and nine months ended December 31, 2022 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The Statement includes comparative figures for the quarter and nine months ended December 31, 2021, which were reviewed by Deloitte Haskins & Sells, Chartered Accountants, one of the joint statutory auditors of the Company, whose report dated February 4, 2022 expressed an unmodified conclusion on those standalone financial



**Deloitte Haskins & Sells**

**PKF Sridhar & Santhanam LLP**

results. Accordingly, PKF Sridhar & Santhanam LLP, Chartered Accountants, do not express any conclusion on the comparative figures reported in the standalone financial results for the quarter and nine months ended December 31, 2021.

Our conclusion is not modified in respect of this matter.

**For Deloitte Haskins & Sells**

Chartered Accountants

(Firm's Registration No. 008072S)


**G. K. Subramaniam**

Partner

Membership No. 109839

UDIN: 23109839BGXPVO9954

Place: Bengaluru

Date: February 7, 2023



**PKF Sridhar & Santhanam LLP**

Chartered Accountants

(Firm's Registration No. 003990S/ S200018)


**Seethalakshmi M**

Partner

Membership No. 208545

UDIN: 23208545BGVAGJ3377

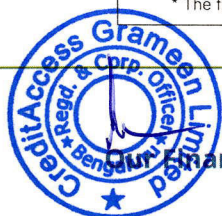
Place: Bengaluru

Date: February 7, 2023

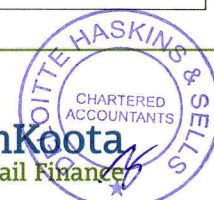
**Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2022**

Sr. No.	Particulars	₹ in crore					
		Quarter ended			Nine months ended		Year ended
		31-Dec-22 (Unaudited)	30-Sep-22 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-21 (Unaudited)	31-Mar-22 (Audited)
	<b>Revenue from operations</b>						
(a)	Interest income	854.79	771.32	654.09	2,362.34	1,838.88	2,567.33
(b)	Fees and commission	5.24	4.23	3.33	11.17	7.86	13.22
(c)	Net gain on fair value changes	4.54	4.53	0.75	14.28	26.32	87.84
(d)	Net gain on derecognition of financial instruments under amortised cost category	26.84	17.68	-	50.61	-	-
(e)	Bad debts recovery	16.49	14.46	29.22	41.31	47.59	74.15
(f)	Others	-	-	-	-	0.28	0.28
<b>I</b>	<b>Total revenue from operations</b>	<b>907.90</b>	<b>812.22</b>	<b>687.39</b>	<b>2,479.71</b>	<b>1,920.93</b>	<b>2,742.82</b>
<b>II</b>	<b>Other income</b>	<b>1.82</b>	<b>2.09</b>	<b>2.30</b>	<b>4.83</b>	<b>4.72</b>	<b>7.31</b>
<b>III</b>	<b>Total income (I+II)</b>	<b>909.72</b>	<b>814.31</b>	<b>689.69</b>	<b>2,484.54</b>	<b>1,925.65</b>	<b>2,750.13</b>
	<b>Expenses</b>						
(a)	Finance costs	314.21	273.23	239.09	867.24	716.99	984.14
(b)	Fee and commission expense	-	-	0.06	0.06	0.49	2.96
(c)	Impairment of financial instruments	89.44	105.36	117.94	295.71	445.73	596.74
(d)	Employee benefit expenses	127.14	129.68	112.75	380.72	325.25	437.66
(e)	Depreciation and amortisation expenses	12.61	12.82	11.58	37.35	34.77	47.23
(f)	Other expenses	76.29	64.21	52.68	195.62	139.44	200.61
<b>IV</b>	<b>Total expenses (IV)</b>	<b>619.69</b>	<b>585.30</b>	<b>534.10</b>	<b>1,776.70</b>	<b>1,662.67</b>	<b>2,269.34</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>290.03</b>	<b>229.01</b>	<b>155.59</b>	<b>707.84</b>	<b>262.98</b>	<b>480.79</b>
	<b>Tax expense</b>						
(1)	Current tax	59.24	43.44	31.14	144.10	99.20	123.94
(2)	Deferred tax	14.04	9.42	7.51	31.28	(33.18)	(0.25)
<b>VI</b>	<b>Total tax expense (VI)</b>	<b>73.28</b>	<b>52.86</b>	<b>38.65</b>	<b>175.38</b>	<b>66.02</b>	<b>123.69</b>
<b>VII</b>	<b>Profit after tax (V-VI)</b>	<b>216.75</b>	<b>176.15</b>	<b>116.94</b>	<b>532.46</b>	<b>196.96</b>	<b>357.10</b>
<b>VIII</b>	<b>Other comprehensive income/ (loss)</b>						
(a)	(1) Items that will not be reclassified to profit or loss	0.45	(2.77)	1.00	(1.08)	(0.36)	0.71
	(2) Income tax relating to items that will not be reclassified to profit or loss	(0.11)	0.70	(0.27)	0.27	0.09	(0.18)
	<b>Subtotal (a)</b>	<b>0.34</b>	<b>(2.07)</b>	<b>0.73</b>	<b>(0.81)</b>	<b>(0.27)</b>	<b>0.53</b>
(b)	(1) Items that will be reclassified to profit or loss (Refer Note 6)	(8.70)	(28.75)	1.38	(1.99)	(9.77)	(114.13)
	(2) Income tax relating to items that will be reclassified to profit or loss	2.19	7.24	0.01	0.50	2.52	28.24
	<b>Subtotal (b)</b>	<b>(6.51)</b>	<b>(21.51)</b>	<b>1.39</b>	<b>(1.49)</b>	<b>(7.25)</b>	<b>(85.89)</b>
	<b>Other comprehensive income/(loss) (VIII = a+b)</b>	<b>(6.17)</b>	<b>(23.58)</b>	<b>2.12</b>	<b>(2.30)</b>	<b>(7.52)</b>	<b>(85.36)</b>
<b>IX</b>	<b>Total comprehensive income (VII+VIII) (comprising profit and other comprehensive income/(loss))</b>	<b>210.58</b>	<b>152.57</b>	<b>119.06</b>	<b>530.16</b>	<b>189.44</b>	<b>271.74</b>
	<b>Profit/(loss) is attributable to:</b>						
	Owners of the Company	212.16	172.03	119.82	522.08	205.90	363.04
	Non-controlling interest	4.59	4.12	(2.88)	10.38	(8.94)	(5.94)
	<b>Other comprehensive income/(loss) is attributable to:</b>						
	Owners of the Company	(6.18)	(23.54)	2.08	(2.36)	(7.59)	(85.42)
	Non-controlling interest	0.01	(0.04)	0.04	0.06	0.07	0.06
	<b>Total comprehensive income/(loss) is attributable to:</b>						
	Owners of the Company	205.98	148.49	121.90	519.72	198.31	277.62
	Non-controlling interest	4.60	4.08	(2.84)	10.44	(8.87)	(5.88)
<b>X</b>	<b>Paid-up equity share capital (face value of ₹ 10 each)</b>	<b>156.17</b>	<b>156.11</b>	<b>155.79</b>	<b>156.17</b>	<b>155.79</b>	<b>155.87</b>
<b>XI</b>	<b>Other Equity</b>						<b>3,821.78</b>
<b>XII</b>	<b>Earnings per equity share (face value of ₹ 10 each)</b>						
	Basic *	13.59	11.02	7.69	33.47	13.23	23.31
	Diluted*	13.53	10.97	7.66	33.31	13.17	23.22

\* The figures for the quarters and nine months are not annualised.


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**GrameenKoota**  
**Retail Finance**




**Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2022**

**Notes:**

- The above consolidated financial results of CreditAccess Grameen Limited (the "Holding Company") and its subsidiaries (collectively referred to as the "Group") for the quarter and nine months ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 07, 2023 in accordance with the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The financial results for the quarter and nine months ended December 31, 2021 were reviewed by Deloitte Haskins & Sells, Chartered Accountants, one of the joint statutory auditors of the Company. These Consolidated financial results include results of following subsidiaries.

Name of the subsidiaries	% of shareholding and voting power held
Madura Micro Finance Limited	76.31%
CreditAccess India Foundation	99.99%

- 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.
- The financial results 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 Group has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2022, except as mentioned in Note 6 below.
  - On March 18, 2020, the Holding Company had completed the acquisition of a controlling stake (76.08%) in the paid-up equity share capital of Madura Micro Finance Limited (MMFL), an NBFC-MFI registered with the Reserve Bank of India (RBI). During FY21, the Holding Company has acquired 12,241 equity shares, representing 0.17% of the equity share capital of MMFL. Further, during the current year, the Holding Company has acquired 4500 equity shares, representing 0.06% of the equity share capital of MMFL, taking the aggregate shareholding of the Holding Company in MMFL as on December 31, 2022 to 76.31%.  
  
The Board of Directors of the Holding Company in its meeting held on November 27, 2019 had approved the scheme of amalgamation of MMFL with the Company, subject to requisite approvals from various regulatory and statutory authorities, respective shareholders and creditors. The above Scheme has been approved by the equity shareholders of both the Companies and accordingly, both the Companies had filed the Second motion petition with the respective benches of the National Company Law Tribunal. The Hon'ble NCLT Chennai vide its Order dated October 12, 2022, had approved the Scheme of Amalgamation of Madura Micro Finance Limited ('the subsidiary company') with CreditAccess Grameen Limited, the Holding Company. The Order from the Hon'ble NCLT Bengaluru is awaited.
  - 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.
  - The Holding Company, during the quarter and nine months ended December 31, 2022 has allotted 65,274 and 3,04,386 equity shares respectively, each, fully paid up, on exercise of options by employees, in accordance with the Holding Company's Employee Stock Option Scheme(s).
  - During the quarter ended June 30, 2022, the Holding 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 now be classified as and valued at "Amortised cost" with effect from July 01, 2022. Consequently, the Holding Company has reversed accumulated fair value loss on such IGL loans and related deferred tax in other equity on July 01, 2022.
  - During March-22, Board of Directors of Holding Company approved the issue and allotment of listed, rated, secured, redeemable, non-convertible debentures ("NCDs"), aggregating up to Rs.1500 Crore under a Shelf and Tranche Prospectus structure. During the current quarter, the Holding Company has successfully completed issuance of NCD amounting to Rs. 500 Crore including Green shoe option of Rs. 250 Crore.
  - Disclosures in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the nine months ended December 31, 2022 is attached as Annexure I.
  - Previous year / periods figures have been regrouped / rearranged, wherever considered necessary, to conform with current period's classification.

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

  
Udaya Kumar Hebbur  
Managing Director & CEO  
Bengaluru  
February 07, 2023



**Annexure I**

Disclosure in compliance with Regulations 52(4) of of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the nine months ended December 31, 2022		
Sr. No.	Particulars	Ratio
1	Debt-Equity Ratio: *	2.98
2	Debt service coverage ratio : #	Not Applicable
3	Interest service coverage ratio: #	Not Applicable
4	Outstanding redeemable preference share (quantity)	Not Applicable
5	Outstanding redeemable preference share (Rs. In cr)	Not Applicable
6	Capital redemption reserve (Rs. in cr)	Not Applicable
7	Debenture redemption reserve (Rs. in cr)	Not Applicable
8	Net worth (Rs. in cr): **	4,549.00
9	Net profit after tax (Rs. in cr)	532.46
10	Earnings per equity share	
(a)	Basic (Rs.)	33.47
(b)	Diluted (Rs.)	33.31
11	Current ratio: #	Not Applicable
12	Long term debt to working capital: #	Not Applicable
13	Bad debts to account receivable ratio: #	Not Applicable
14	Current liability ratio: #	Not Applicable
15	Total debts to total assets: \$	0.73
16	Debtors turnover: #	Not Applicable
17	Inventory turnover: #	Not Applicable
18	Operating margin: #	Not Applicable
19	Net profit margin: ##	21.43%

Notes:

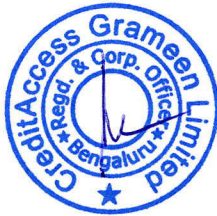
\* Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/Networth.

\*\* Networth is calculated as defined in section 2(57) of Companies Act 2013.

# The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are not applicable.

\$ Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/total assets.

## Net profit margin = Net profit after tax/ Total Income



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**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 ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF CREDITACCESS GRAMEEN LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **CreditAccess Grameen Limited** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), for the quarter and nine months ended December 31, 2022 (the "Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr. No.	Name of the Company	Nature of relationship
1	CreditAccess Grameen Limited	Parent
2	Madura Micro Finance Limited*	Subsidiary



Sr. No.	Name of the Company	Nature of relationship
3	CreditAccess India Foundation	Subsidiary

\*The name of Madura Micro Education Private Limited (MMEPL) (wholly owned Subsidiary of Madura Micro Finance Limited) has been struck-off by the Office of the Registrar of Companies, Chennai vide its Public Notice No.ROC/Chn/S.248 (2)/ 303/2022/5 dated October 31, 2022, as per the application filed by MMEPL.

- Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
- We did not review the interim financial results of one subsidiary included in the Statement, whose interim financial results reflect total revenues of ₹155.62 crore and ₹ 447.21 crore for the quarter and nine months ended December 31, 2022, respectively, total net profit after tax of ₹22.43 crore and ₹ 53.02 crore for the quarter and nine months ended December 31, 2022, respectively and total comprehensive income of ₹22.43 crore and ₹ 53.30 crore for the quarter and nine months ended December 31, 2022, respectively, as considered in the Statement. These interim financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

- The unaudited consolidated financial results include the interim financial information of one subsidiary which has not been reviewed/audited by its auditors, whose interim financial results reflect total revenues of ₹ Nil for the quarter and nine months ended December 31, 2022 and total net loss after tax of ₹0.01 crore and ₹0.03 crore for the quarter and nine months ended December 31, 2022, respectively, as considered in the Statement. According to the information and explanations given to us by the Management, this interim financial information is not material to the Group.

Our Conclusion is not modified in respect of our reliance on the interim financial information certified by the Management.

- The Statement includes comparative figures for the quarter and nine months ended December 31, 2021, which were reviewed by Deloitte Haskins & Sells, Chartered Accountants, one of the joint statutory auditors of the Company, whose report dated



**Deloitte Haskins & Sells**

**PKF Sridhar & Santhanam LLP**

February 4, 2022 expressed an unmodified conclusion on those consolidated financial results. Accordingly, PKF Sridhar & Santhanam LLP, Chartered Accountants, do not express any conclusion on the comparative figures reported in the consolidated financial results for the quarter and nine months ended December 31, 2021.

Our conclusion is not modified in respect of this matter.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)


**G. K. Subramaniam**  
Partner  
Membership No. 109839  
UDIN: 23109839BGXPVP3193  
Place: Bengaluru  
Date: February 7, 2023



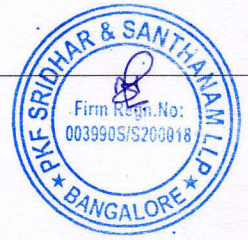
**PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
(Firm's Registration No. 003990S/ S200018)


**Seethalakshmi M**  
Partner  
Membership No. 208545  
UDIN: 23208545BGVAGK2674  
Place: Bengaluru  
Date: February 7, 2023

₹ in crore														
Column A	Column B	Column C i	Column D ii	Column E iii	Column F iv	Column G v	Column H vi	Column I vii	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Deb	Debt for which this certificate being issued	Asset shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari Passu charge (excluding items covered in column F)	debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis		Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets viii	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)	
		Book Value	Book Value	Yes/ No	Book Value	Book Value								Relating to Column F
<b>ASSETS</b>														
Property, Plant and Equipment							26.01		26.01					
Capital Work-in-Progress							-		-					
Right of Use Assets							67.28		67.28					
Goodwill							-		-					
Intangible Assets							12.33		12.33					
Intangible Assets under Development							2.91		2.91					
Investments							1,101.27		1,101.27					
Loans*	Book Debts receivable	1,272.32	10,825.43	-			2,055.65		14,153.40		1,272.32			1,272.32
Less impairment loss allowance as per Ind AS		^ (9.42)	^ (80.11)				(183.97)		(273.49)					
Inventories							-		-					
Trade Receivables							-		-					
Cash and Cash Equivalents							675.70		675.70					
Bank Balances other than Cash and Cash Equivalents	Fixed Deposit		89.82				-		89.82					
Others							261.72		261.72					
<b>Total</b>		<b>1,262.91</b>	<b>10,835.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,018.90</b>		<b>16,116.95</b>	<b>-</b>	<b>1,272.32</b>	<b>-</b>	<b>-</b>	<b>1,272.32</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains **		1,116.37	722.38	No			-		1,838.75		1,116.37			1,116.37
charge with above debt		N/A							-					
Other Debt									-					
Subordinated debt									-					
Borrowings									-					
Bank** \$			6,162.07						6,162.07					
Debt Securities									-					
Others** \$			3,115.18				123.91		3,239.09					
Trade payables							226.17		226.17					
Lease Liabilities							80.41		80.41					
Provisions							27.39		27.39					
Others							16.71		16.71					
<b>Total</b>		<b>1,116.37</b>	<b>9,999.63</b>				<b>474.59</b>		<b>11,590.59</b>	<b>-</b>	<b>1,116.37</b>	<b>-</b>	<b>-</b>	<b>1,116.37</b>
Cover on Book Value*														1.14
Cover on Market Value ix														N/A

Notes:  
 \* Assets cover is calculated only on debts for which this certificate is being issued.  
 \*\* Borrowing values listed are as reported in financial statements under Ind AS.  
 \$ includes ₹ 350 Crores of Borrowings drawn down as the end of December 2022, on which security creation is under progress.  
 ^ Indicates Provision on Stage 1 assets carried as part of ECL methodology.



**Statement indicating utilisation and deviation/ variation in the use of proceeds of issue of listed Non-convertible**

**Securities for the quarter ended December 31, 2022**

[Regulations 52(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/0000000103dated July 29, 2022]

**A. Statement of utilization of issue proceeds:**

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of Instrument	Date of Fund Raising*	Amount Raised (in Crs)	Funds utilized	Any Deviation (Yes/No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
CreditAccess Grameen Limited	INE741K07462	Public issues	Debentures	November 04, 2022	185.31	185.31	No	-	NA
CreditAccess Grameen Limited	INE741K07454	Public issues	Debentures	November 04, 2022	25.06	25.06	No	-	NA
CreditAccess Grameen Limited	INE741K07470	Public issues	Debentures	November 04, 2022	212.49	212.49	No	-	NA
CreditAccess Grameen Limited	INE741K07488	Public issues	Debentures	November 04, 2022	13.39	13.39	No	-	NA
CreditAccess Grameen Limited	INE741K07496	Public issues	Debentures	November 04, 2022	55.50	55.50	No	-	NA
CreditAccess Grameen Limited	INE741K07504	Public issues	Debentures	November 04, 2022	8.25	8.25	No	-	NA

\*The Shelf prospectus was filed on November 04, 2022 and issue was opened on November 14, 2022 and allotted on November 23, 2022.

**Note:** Amount of Rs. 5 cr was subsequently received i.e. during Jan 2023 from public issue account and the same was utilized for the purposes in accordance with shelf prospectus.



**B. Statement of deviation/ variation in use of Issue proceeds:**

Particulars	Remarks					
Name of the listed entity	CreditAccess Grameen Limited					
Mode of Fund Raising	Public issue					
Type of instrument	Non-convertible Securities (Debentures)					
Date of raising funds	04-11-2022	04-11-2022	04-11-2022	04-11-2022	04-11-2022	04-11-2022
Amount raised	Rs. 185.31Cr	Rs. 25.06Cr	Rs. 212.49Cr	Rs. 13.39Cr	Rs. 55.50Cr	Rs. 8.25Cr
Report filed for quarter ended	No	No	No	No	No	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/offer document?	NA	NA	NA	NA	NA	NA
If yes, details of the approval so required?	NA	NA	NA	NA	NA	NA
Date of approval	NA	NA	NA	NA	NA	NA
Explanation for the deviation / variation	NA	NA	NA	NA	NA	NA
Comments of the audit committee after review	NA	NA	NA	NA	NA	NA
Comments of the auditors, if any	NA	NA	NA	NA	NA	NA
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:						







Original Object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amounts of deviation/ variation for the quarter according to applicable object (in Rs. Crore and in%)	Remarks, if any
On-lending	NA	185.31	NA	185.31	0	NA
On-lending	NA	25.06	NA	25.06	0	NA
On-lending	NA	212.49	NA	212.49	0	NA
On-lending	NA	13.39	NA	13.39	0	NA
On-lending	NA	55.5	NA	55.50	0	NA
On-lending	NA	8.24	NA	8.25	0	NA

Deviation could mean:

- Deviation in the objects or purposes for which the funds have been raised.
- Deviation in the amount of funds actually utilised as against what was originally disclosed.

**Name of Signatory:** M.J. Mahadev Prakash

**Designation:** Company Secretary & Chief Compliance Officer

**Date:** February 07, 2023



## **CreditAccess Grameen Limited – Third Quarter FY22-23 Results**

### **Significant Improvement in Profitability Metrics**

**Profit After Tax of INR 217 crore, up 85.3% YoY**

**Pre-provision Operating Profit of INR 379 crore, up 38.7% YoY**

**Gross Loan Portfolio of INR 17,786 crore, up 21.9% YoY**

**ROA of 4.6%, ROE of 18.8%, GNPA of 1.71%, NNPA of 0.59%**

**Bengaluru, 07<sup>th</sup> February 2023:** CreditAccess Grameen Limited (NSE: CREDITACC, BSE: 541770, 'CA Grameen'), the country's largest Non-Banking Financial Company-Micro Finance Institution (NBFC-MFI), today announced its unaudited and limited reviewed financial performance for the third quarter and nine months of the period ended 31 December 2022.

#### **Consolidated Business Highlights: Q3 FY23**

- GLP grew by **21.9% YoY** from INR 14,587 crore to **INR 17,786 crore**
- Borrower base of **39.4 Lakh** across **1,727** branches
- Collection Efficiency of **98%** (excl. arrears)

#### **Consolidated Financial Highlights: Q3 FY23**

- Total income increased by **31.9% YoY** from INR 689.7 crore to **INR 909.7 crore**
- Net interest income (NII) increased by **37.7% YoY** from INR 412.0 crore to **INR 567.4 crore**
- Pre-provision operating profit (PPOP) increased by **38.7% YoY** from INR 273.5 crore to **INR 379.5 crore**
- Impairment of financial instruments declined by **24.2% YoY** from INR 117.9 crore to **INR 89.4 crore**
  - Total ECL provisions were **INR 344.6 crore (2.04%)** against GNPA (**largely @ 60+ dpd**) of **1.71%**, and PAR 90+ of **1.34%**. **NNPA** further reduced to **0.59%**
  - Write-offs were **INR 130.9 crore**
- Profit After Tax (PAT) increased by **85.3% YoY** from INR 117.0 crore to **INR 216.8 crore**
- Robust liquidity of **INR 1,439.9 crore** of cash & cash equivalents, amounting to **7.7%** of the total assets
- Healthy capital position with standalone **CRAR of 28.4%** and consolidated **CRAR of 24.7%**
- Credit Rating: **AA-/Stable** by India Ratings, **A+/Positive** by CRISIL & ICRA



### **Consolidated Key Metrics: Q3 FY23**

<b>Particulars</b>	<b>Q3 FY23</b>	<b>Q3 FY22</b>	<b>YoY %</b>
Gross Loan Portfolio (INR Cr)	17,786	14,586	21.9%
Borrowers (Lakh)	39.4	37.4	5.3%
Branches	1,727	1,593	8.4%

<b>Particulars (INR Cr)</b>	<b>Q3 FY23</b>	<b>Q3 FY22</b>	<b>YoY%</b>
Net Interest Income (NII)	567.4	412.0	+37.7%
Pre-Provision Operating Profit (PPOP)	379.5	273.5	+38.7%
Profit After Tax (PAT)	216.8	117.0	+85.3%

<b>Key Ratios</b>	<b>Q3 FY23</b>	<b>Q3 FY22</b>	<b>YoY%</b>
Net Interest Margin (NIM)	11.9%	11.4%	+44 bps
Cost/Income Ratio	36.3%	39.3%	-299 bps
Opex/GLP Ratio	5.0%	5.1%	-3 bps
Gross NPA	1.71%	6.02%	-431 bps
Net NPA	0.59%	2.60%	-201 bps
Return on Assets (ROA)	4.6%	3.0%	+163 bps
Return on equity (ROE)	18.8%	11.9%	+695 bps

**Commenting on the performance, Mr. Udaya Kumar Hebbar, MD and CEO of CreditAccess Grameen, said,** *"The third quarter witnessed robust sequential improvement in business momentum, operating efficiency, asset quality and return ratios, culminating in yet another milestone of surpassing INR 200 crore in quarterly net profit. We are confident of sustaining this profitability trend and further improving it over the coming quarters. Our gross loan portfolio grew by 21.9% YoY to INR 17,786 crore. We added 3.05 lakh new borrowers taking the total borrower base to 39.39 lakh. Our asset quality remains amongst the best in class with collection efficiency of 98% and net NPA (predominantly at 60+ dpd) of 0.59%. Q3 FY23 PAT grew by 85.3% YoY and 23.1% QoQ to INR 217 crore, resulting in ROA of 4.6% and ROE of 18.8%. Whereas 9M FY23 PAT significantly grew by 170.3% YoY to INR 533 crore. We reiterate our FY23 guidance of 4.0% - 4.2% ROA and 16.0% - 18.0% ROE.*

*Our balance sheet continues to get stronger every quarter with robust liquidity and capital position. We have further cemented our asset liability position by raising significant long term borrowings in Q3 FY23, consisting of foreign borrowings, both ECB and NCD, as well as our maiden domestic retail NCD issue. Our public NCD issue was the first in the microfinance industry and it received an overwhelming response from the investors leading to 3.03X subscription of the base size issue. We raised INR 500 crore in first tranche, with a board approval to raise another INR 1,000 crore until November 2023.*

*We foresee a very exciting future for the microfinance industry, and we shall continue to further strengthen our leadership position, being the preferred financial partner of low-income households across India. We draw comfort from the recent announcements made in the union budget FY 2023-24 focusing on women empowerment, inclusive development and reaching the last mile, as the key drivers towards strengthening the rural ecosystem which shall benefit the rural financing opportunity, including microfinance business, over the coming years."*



### **About CreditAccess Grameen Limited**

CreditAccess Grameen Limited is a leading Indian microfinance institution headquartered in Bengaluru, focused on providing micro-loans to women customers predominantly in rural areas across India. The Company, on a consolidated basis, is now operating in 344 districts in 14 states (Karnataka, Maharashtra, Tamil Nadu, Chhattisgarh, Madhya Pradesh, Odisha, Kerala, Goa, Gujarat, Rajasthan, Uttar Pradesh, Bihar, Jharkhand, and West Bengal) and one union territory (Puducherry) in India through 1,727 branches. The Company's Promoter is CreditAccess India B.V., a multinational company specializing in micro and small enterprise financing. It is backed by institutional investors and has a micro-lending experience in India of over more than a decade.

### **For more information, please contact:**

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SVP & Head – Investor Relations  
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#### **Girish Dikey**

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#### **Sahib Sharma**

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CreditAccess Grameen Limited

Q3 & 9M FY23 Investor Presentation

February 2023



STOOD THE TEST OF  
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## Key Business Updates

Consolidated Overview

CA Grameen: Financial Metrics

MMFL: Financial Metrics

Investment Rationale

Annexure



# Q3 FY23: Key Consolidated Business Highlights

Focusing on Growth And Prioritizing Superior Asset Quality, Leading to Strong Operating Profitability

	Q3 FY23	YoY% Change	QoQ% Change
<b>GLP (INR Cr)</b>	<b>17,786</b>	<b>+21.9%</b>	<b>+7.5%</b>
CA Grameen	14,822	+21.7%	+7.6%
MMFL	2,964	+23.2%	+7.1%
Write-off	131	0.8% of Sep-22 GLP	
<b>Borrowers<sup>1</sup> (Lakh)</b>	<b>39.39</b>	<b>+5.3%</b>	<b>+3.7%</b>
CA Grameen	31.29	+11.2%	+4.4%
MMFL	8.35	-13.3%	+0.6%
Write-off	0.74	1.9% of Sep-22 Borrowers	
<b>Disbursements (INR Cr)</b>	<b>4,847</b>	<b>+2.7%</b>	<b>+10.8%</b>
CA Grameen	4,044	+4.6%	+10.9%
MMFL	803	-5.9%	+10.1%

Q3 FY23 Collections Efficiency (Excl. Arrears) **98%**

Q3 FY23 Collections Efficiency (Incl. Arrears) **98%**

GNPA % (largely @ 60+ dpd) **1.71%**

ECL Provisioning **2.04%**

NNPA % **0.59%**

PAR 90+ % **1.34%**

1) Excluding 25,818 common borrowers

	Q3 FY23	YoY% Change	QoQ% Change
NII (INR Cr)	567	+37.7%	+9.9%
PPOP (INR Cr)	380	+38.7%	+13.5%
<b>PAT (INR Cr)</b>	<b>217</b>	<b>+85.3%</b>	<b>+23.1%</b>
NIM %	11.9%	+44 bps	-11 bps
ROA %	4.6%	+163 bps	+63 bps
<b>ROE %</b>	<b>18.8%</b>	<b>+695 bps</b>	<b>+273 bps</b>

Capital	Total	Tier 1	Liquidity (INR Cr)
<b>CRAR %</b>	<b>24.9%</b>	<b>24.0%</b>	<b>C &amp; CE</b>
CA Grameen	28.4%	27.7%	Undrawn Sanctions
MMFL	22.2%	15.0%	Sanctions in Pipeline
			<b>1,440</b>
			3,471
			7,682

- Robust disbursements trend
- Strong customer additions of over 3 Lakh
- Collection efficiency largely normalised
- Best-in-class asset quality
- Significant improvement in profitability and return ratios
- Strong balance sheet, adequate capital and liquidity position
- Added 43 branches in new markets for future growth



# Q3 FY23: Strong New Customer Addition Momentum

## Robust New Borrower Addition over Past 12 Months, partially offset by Write-offs

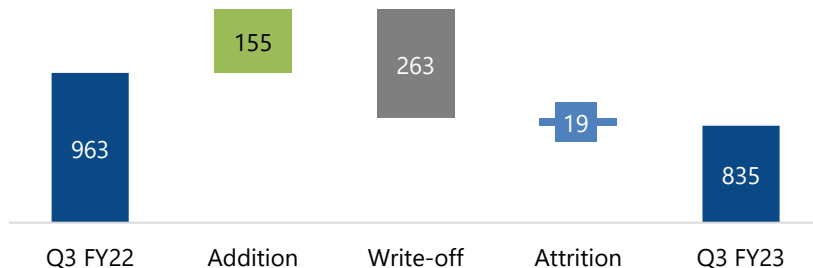
### CA Grameen Borrowers ('000)

**Pre-Write-off Borrower Growth of 17.2%**



### MMFL Borrowers ('000)

**Pre-Write-off Borrower Growth of 14.0%**



New Borrower Addition over past 12 Months	Total	% Share
Karnataka	1,81,820	18.5%
Maharashtra	1,63,058	16.6%
Tamil Nadu	1,80,213	18.4%
<b>Other States</b>	<b>4,56,144</b>	<b>46.5%</b>
<b>Total</b>	<b>9,81,235</b>	
Q4 FY22	2,98,358	<b>Sustained new borrower addition momentum in Q3 FY23</b>
Q1 FY23	92,642	
Q2 FY23	2,84,848	
Q3 FY23	3,05,387	

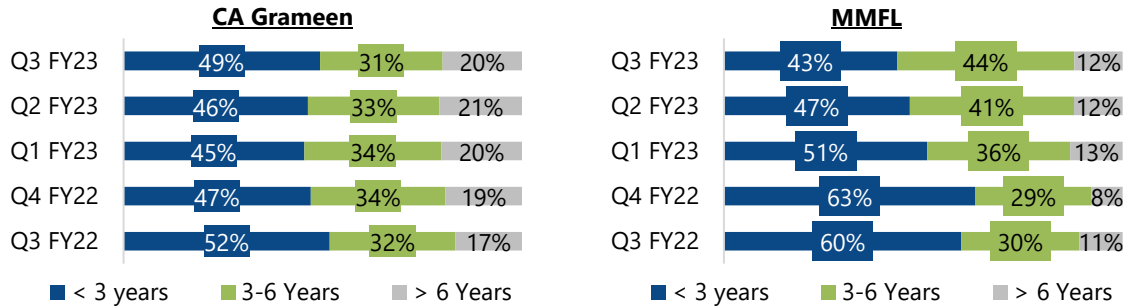
**46.5% of the new borrower addition over past 12 months was from outside of the top 3 states**

# Q3 FY23: Superior Vintage Profile with High Borrower Retention



Supporting the Retained / Higher Vintage Borrowers, whilst consciously Adding New Borrowers with Deep Rural Focus

## 1 Borrower Vintage Analysis



## 3 Focus on 3-Year Loans for High Vintage Borrowers

Loan Tenure	Avg. Weekly Installment per INR 10,000 loan
1 Year	INR 216 – 218
2 Years	INR 118 – 119
3 years	INR 86 – 88

## 2 Borrower Leverage Analysis

CA Grameen				MMFL			
GLP / Borrower Vintage-wise	Q3 FY22	Q3 FY23	YoY%	GLP / Borrower Vintage-wise	Q3 FY22	Q3 FY23	YoY%
< 3 Years	35,565	37,075	4.2%	< 3 Years	24,579	32,772	33.3%
3-6 Years	45,953	51,199	11.4%	3-6 Years	24,799	37,606	51.6%
> 6 Years	62,085	66,882	7.7%	> 6 Years	27,660	37,465	35.4%
<b>Total</b>	<b>43,287</b>	<b>47,364</b>	<b>9.4%</b>	<b>Total</b>	<b>24,979</b>	<b>35,487</b>	<b>42.1%</b>

Within Acceptable 10-15% Annual Increase, Despite the Impact of Higher Write-offs

Ticket size increase due to gradual alignment with CA Grameen model

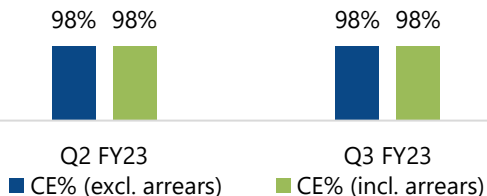
- The average GLP per borrower in top 3 states is ~ INR 49,100 and other states is ~ INR 33,600
- Graduated customers seeking > INR 60,000 loan are offered 3-year tenure loans, leading to lower instalment size and improved serviceability
- Currently, 28% of consolidated group loans GLP is constituted of 3-year loans

# Q3 FY23: Continued Improvement in Asset Quality

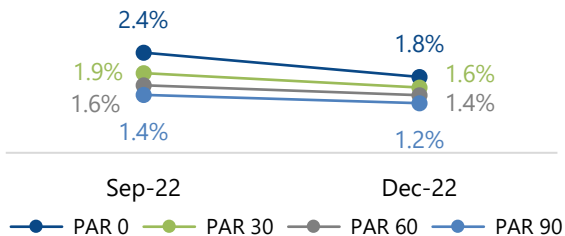


## CA Grameen

### Collection Efficiency (excl. arrears)

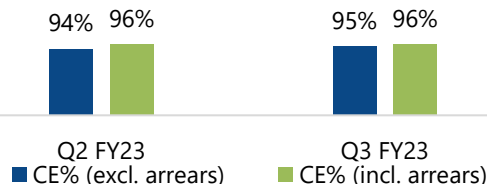


### PAR Trend

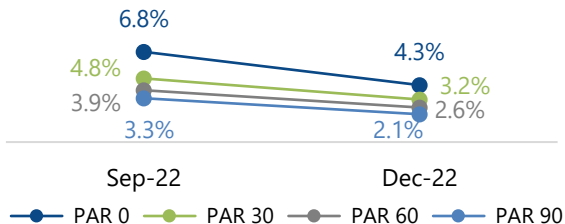


## MMFL

### Collection Efficiency (excl. arrears)

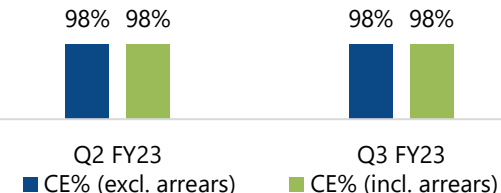


### PAR Trend

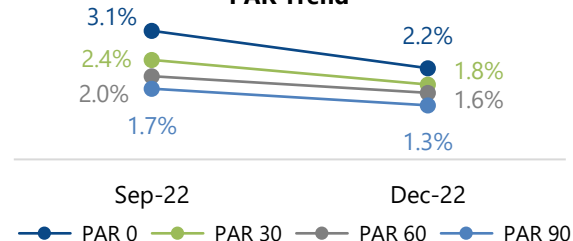


## Consolidated

### Collection Efficiency (excl. arrears)



### PAR Trend



Q3 FY23 (INR Cr)	
Asset Classification (dpd)	
Stage 1	0 – 15 (GL), 0 – 30 (RF)
Stage 2	16 – 60 (GL), 31 – 90 (RF)
Stage 3	60+ (GL), 90+ (RF)
<b>Total</b>	
<b>GNPA (Gross Stage 3)</b>	
<b>NNPA (Net Stage 3)</b>	

CA Grameen		
EAD	EAD%	ECL%
13,870.9	98.2%	0.7%
39.8	0.3%	54.1%
208.8	1.5%	71.9%
<b>14,119.5</b>	<b>100.0%</b>	<b>1.9%</b>
	<b>1.5%</b>	
	<b>0.4%</b>	

MMFL		
EAD	EAD%	ECL%
2,663.8	96.3%	0.9%
21.1	0.8%	35.7%
79.9	2.9%	50.2%
<b>2,764.8</b>	<b>100.0%</b>	<b>2.6%</b>
	<b>2.9%</b>	
	<b>1.5%</b>	

Consolidated		
EAD	EAD%	ECL%
16,534.7	97.9%	0.8%
60.9	0.4%	47.7%
288.7	1.7%	65.9%
<b>16,884.3</b>	<b>100.0%</b>	<b>2.0%</b>
	<b>1.7%</b>	
	<b>0.6%</b>	

# Q3 FY23: Comfortably Placed to Protect NIMs in a Rising Interest Rate Scenario



Consolidated Metrics	Q1 FY23	Q2 FY23	Q3 FY23	9M FY23	Remarks
Avg. New Disbursement Interest Rate %	20.3%	20.8%	21.5%	21.0%	<ul style="list-style-type: none"> <li>Revised pricing continues to be very competitive</li> </ul>
Portfolio Yield %	18.4%	19.1%	19.6%	18.9%	<ul style="list-style-type: none"> <li>Improvement in yields driven by revised pricing and lower interest de-recognition</li> </ul>
Weighted Avg. Cost of Borrowing %	9.1%	9.2%	9.6%	9.3%	<ul style="list-style-type: none"> <li>The increase in COB in Q3 FY23 was primarily due to higher proportion (49%) of long-term debt (foreign – ECB &amp; NCD, and public NCD) in incremental drawdowns, which came at higher cost. The COB on bank/ NBFC/ FI borrowings was stable QoQ</li> </ul>
Marginal Cost of Borrowing %	8.7%	8.9%	10.2%	9.5%	<ul style="list-style-type: none"> <li>COB is expected to normalize with predominant share of bank borrowings in incremental drawdowns in Q4 FY23</li> <li>As guided in May-22, 9M FY23 Weighted Avg. COB is within the expected range of 9.3%-9.4% for FY23</li> </ul>
NIM %	11.1%	12.0%	11.9%	11.5%	<ul style="list-style-type: none"> <li>Adjusted NIM in Q3 FY23 was 12.1%, excluding the impact of excess liquidity on account of bulk drawdowns of foreign borrowings and public NCD</li> <li>As guided in May-22, 9M FY23 NIM is already higher by 63 bps vs. FY22</li> </ul>

# Q3 FY23: Performance on Track to Achieve Annual Guidance



Key Indicators – Consolidated	FY23 Guidance	Q3 FY23 Performance	9M FY23 Performance	Remarks
GLP – Growth %	24.0% - 25.0%	21.9%	21.9%	<ul style="list-style-type: none"> <li>Focus on new borrower additions</li> <li>Focus on asset quality whilst targeting portfolio growth</li> <li><b>FY23 growth guidance has been maintained</b></li> </ul>
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non annualized)	1.8% - 2.0% (revised to 2.3% - 2.4%)	0.6% (gross credit cost)	1.9% (gross credit cost)	<ul style="list-style-type: none"> <li>Credit cost at CA Grameen is within the budget (Q3 FY23: 0.4%, 9M FY23: 1.6%)</li> <li>Credit cost at MMFL is higher than the budget (Q3 FY23: 1.1%, 9M FY23: 3.4%) due to relatively lagged collections trend in the legacy book. However, it is witnessing better bad debt recoveries</li> <li><b>FY23 gross credit cost guidance has been revised to 2.3%-2.4%</b></li> <li><b>Impact of higher credit cost has been adequately built into the revised pricing to the customers</b></li> </ul>
		0.5% (net credit cost post bad debt recovery)	1.6% (net credit cost post bad debt recovery)	
Return on Assets %	4.0% - 4.2%	4.6%	3.8%	<ul style="list-style-type: none"> <li><b>FY23 ROA and ROE guidance has been maintained</b></li> </ul>
Return on Equity %	16.0% - 18.0%	18.8%	16.2%	

Note: The guidance provided considers a stable operating environment

**Breaking Ground in WASH Financing:  
Inclusive Finance Summit 2022**



**Impactful Contribution in Financial Inclusion:  
Elets 12<sup>th</sup> NBFC100 Tech Summit**



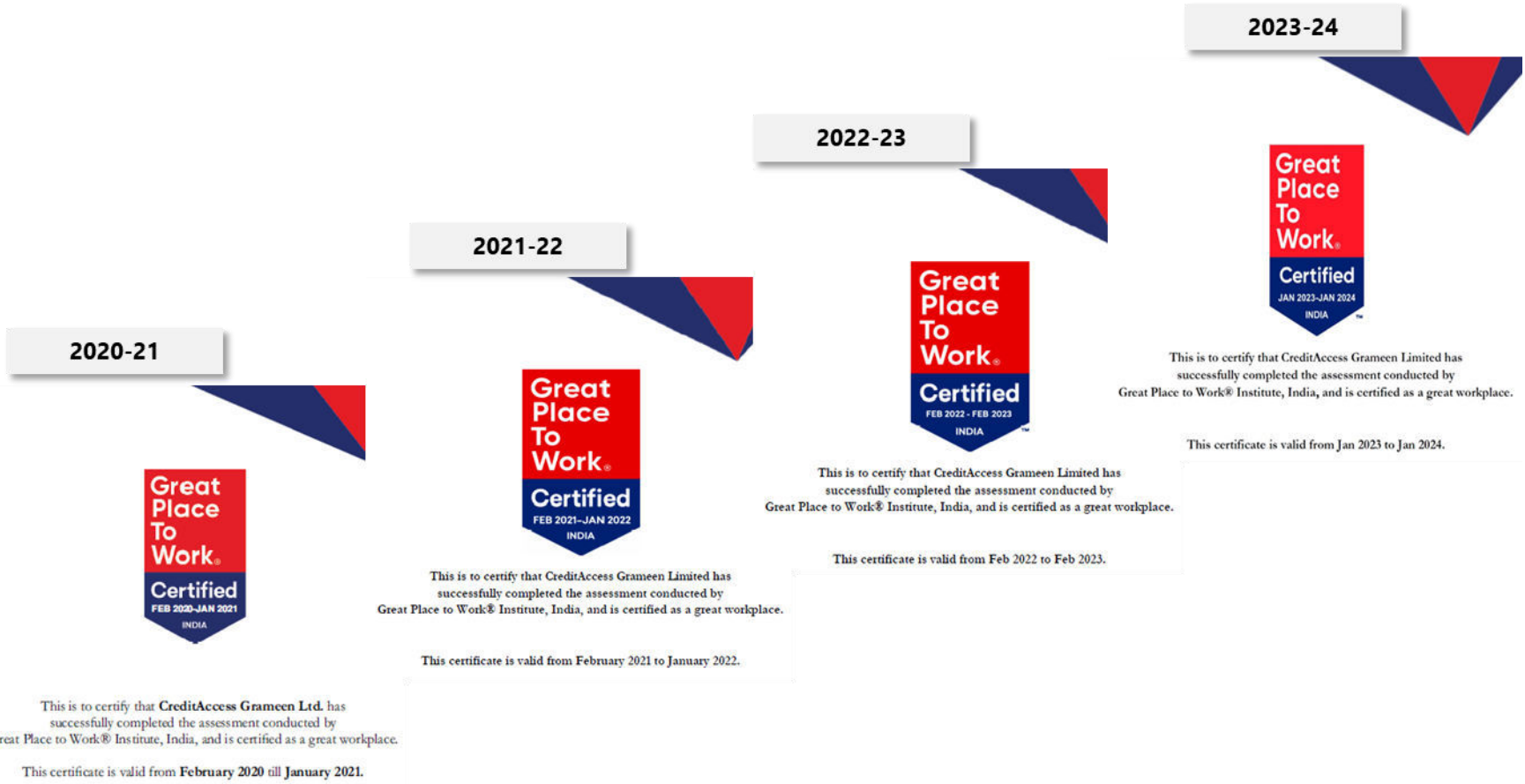
**Best in Enterprise Mobility & Data Centre:  
Technology Senate – Indian Express Group**



**Certificate of Merit – 2021 Integrated AR:  
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Key Business Updates

**Consolidated Results Overview**

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# Q3 FY23: Consolidated Performance Highlights



**GLP: INR 17,786 Cr**  
**(+21.9% YoY)**

**NIM**  
**11.9% / 12.1%<sup>2</sup>**  
**Weighted Avg. COB**  
**9.6%**

**Cost/Income Ratio**  
**36.3%**  
**Opex/GLP Ratio**  
**5.0%**

**PPOP**  
**INR 379 Cr**  
**(+38.7% YoY)**

**PAT: INR 217 Cr**  
**(+85.3% YoY)**

**ROA**  
**4.6%**  
**ROE**  
**18.8%**

**Capital Adequacy Ratio**  
**24.9%**  
**Tier 1 Ratio**  
**24.0%**

**Total Equity**  
**INR 4,707 Cr**  
**D/E Ratio**  
**2.9**

**GNPA (GS3): 1.71%**  
**NNPA: 0.59%**  
**PAR 90+: 1.34%**

**Provisioning**  
**2.04%**  
**Write-off**  
**INR 131 Cr**

**Branches 1,727**  
**(+8.4% YoY)**  
**16,807 Employees**  
**(+8.6% YoY)**

**Active Borrowers**  
**39.39 Lakh<sup>1</sup>**  
**(+5.3% YoY)**

- 1) 73,857 borrowers were written off during Q3 FY23 while 3,05,387 new borrowers were added during the same period
- 2) Adjusted NIM excluding the impact of excess liquidity held during Q3 FY23

# Q3 & 9M FY23: Consolidated P&L Statement



Profit & Loss Statement (INR Cr)	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ%	9M FY23	9M FY22	YoY%	FY22
Interest Income	854.8	654.1	30.7%	771.3	10.8%	2,362.3	1,838.9	28.5%	2,567.3
- Interest on Loans <sup>1</sup>	837.6	647.6	29.3%	762.1	9.9%	2,327.3	1,811.3	28.5%	2,533.0
- Income from Securitisation	0.0	-0.1	-	0.0	-	0.0	0.6	-	0.6
- Interest on Deposits with Banks and FIs	17.2	6.6	160.1%	9.2	86.7%	35.0	27.0	29.9%	33.8
Income from Direct Assignment	26.8	-3.0	-1001.9%	18.1	48.5%	50.6	11.7	331.7%	70.0
Finance Cost on Borrowings	314.2	239.1	31.4%	273.2	15.0%	867.2	716.8	21.0%	984.0
Cost on Financial Liability towards Securitisation	0.0	0.0	-	0.0	-	0.0	0.2	-	0.2
<b>Net Interest Income</b>	<b>567.4</b>	<b>412.0</b>	<b>37.7%</b>	<b>516.2</b>	<b>9.9%</b>	<b>1,545.7</b>	<b>1,133.6</b>	<b>36.4%</b>	<b>1,653.2</b>
Non-interest Income & Other Income <sup>2</sup>	28.1	38.6	-27.2%	24.9	12.8%	71.6	75.0	-4.6%	112.8
<b>Total Net Income</b>	<b>595.5</b>	<b>450.6</b>	<b>32.2%</b>	<b>541.1</b>	<b>10.1%</b>	<b>1,617.3</b>	<b>1,208.7</b>	<b>33.8%</b>	<b>1,766.0</b>
Employee Expenses	127.1	112.8	12.7%	129.7	-2.0%	380.7	325.4	17.0%	437.7
Other Expenses	76.3	52.6	44.9%	64.2	18.8%	195.7	139.8	40.0%	203.6
Depreciation, Amortisation & Impairment	12.6	11.6	8.9%	12.8	-1.7%	37.4	34.8	7.4%	47.2
<b>Pre-Provision Operating Profit</b>	<b>379.5</b>	<b>273.5</b>	<b>38.7%</b>	<b>334.3</b>	<b>13.5%</b>	<b>1,003.5</b>	<b>708.7</b>	<b>41.6%</b>	<b>1,077.5</b>
Impairment of Financial Instruments	89.4	117.9	-24.2%	105.4	-15.1%	295.7	445.7	-33.7%	596.7
<b>Profit Before Tax</b>	<b>290.0</b>	<b>155.6</b>	<b>86.4%</b>	<b>229.0</b>	<b>26.7%</b>	<b>707.8</b>	<b>263.0</b>	<b>169.2%</b>	<b>480.8</b>
Total Tax Expense	73.3	38.7	89.6%	52.9	38.6%	175.4	66.0	165.7%	123.7
<b>Profit After Tax</b>	<b>216.8</b>	<b>117.0</b>	<b>85.3%</b>	<b>176.1</b>	<b>23.1%</b>	<b>532.5</b>	<b>197.0</b>	<b>170.3%</b>	<b>357.1</b>
Key Ratios	Q3 FY23	Q3 FY22		Q2 FY23		9M FY23	9M FY22		FY22
Portfolio Yield	19.6%	18.6%		19.1%		18.9%	18.3%		18.3%
Cost of Borrowings	9.6%	9.4%		9.2%		9.3%	9.5%		9.3%
NIM	11.9%	11.4%		12.0%		11.5%	10.8%		10.9%
Cost/Income Ratio	36.3%	39.3%		38.2%		37.9%	41.4%		39.0%
Opex/GLP Ratio	5.0%	5.1%		5.1%		4.9%	4.9%		4.9%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 22.2 Cr in Q3 FY23 (vs INR 22.4 Cr in Q3 FY22) and INR 64.7 Cr in 9M FY23 (vs INR 64.3 Cr in 9M FY22)

2) Bad debt recovery was INR 16.5 Cr in Q3 FY23 (vs INR 29.2 Cr in Q3 FY22) and INR 41.3 Cr in 9M FY23 (vs INR 47.6 Cr in 9M FY22)

# Q3 & 9M FY23: Consolidated Balance Sheet



Balance Sheet (INR Cr)	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ%	9M FY23	9M FY22	FY22
Cash & Other Bank Balances	1,002.1	1,625.3	-38.3%	757.9	32.2%	1,002.1	1,625.3	1,761.4
Investments	437.8		-	389.2	12.5%	437.8		0.0
Loans - (Net of Impairment Loss Allowance)	16,402.3	13,379.0	22.6%	15,195.9	7.9%	16,402.3	13,379.0	14,765.3
Loans - Securitised Assets	0.0	0.0	-	0.0	-	0.0	0.0	0.0
Property, Plant and Equipment	30.7	26.6	15.5%	30.9	-0.3%	30.7	26.6	31.8
Intangible Assets	134.7	153.4	-12.2%	139.6	-3.5%	134.7	153.4	149.7
Right to Use Assets	67.3	63.7	5.7%	68.6	-1.9%	67.3	63.7	74.8
Other Financial & Non-Financial Assets	282.5	249.7	13.2%	284.3	-0.6%	282.5	249.7	294.2
Goodwill	317.6	317.6	0.0%	317.6	0.0%	317.6	317.6	317.6
<b>Total Assets</b>	<b>18,675.0</b>	<b>15,815.3</b>	<b>18.1%</b>	<b>17,183.9</b>	<b>8.7%</b>	<b>18,675.0</b>	<b>15,815.3</b>	<b>17,394.8</b>
Debt Securities	1,839.2	1,646.7	11.7%	1,094.9	68.0%	1,839.2	1,646.7	1,418.1
Borrowings (other than debt securities)	11,650.9	9,721.1	19.9%	11,131.8	4.7%	11,650.9	9,721.1	11,424.9
Subordinated Liabilities	83.4	83.6	-0.3%	81.4	2.4%	83.4	83.6	77.7
Financial Liability towards Portfolio Securitized	0.0	0.0	-	0.0	-	0.0	0.0	0.0
Lease Liabilities	80.4	73.5	9.4%	81.1	-0.9%	80.4	73.5	85.0
Other Financial & Non-financial Liabilities	314.4	299.2	5.1%	301.5	4.3%	314.4	299.2	313.0
<b>Total Equity</b>	<b>4,597.8</b>	<b>3,895.1</b>	<b>18.0%</b>	<b>4,388.9</b>	<b>4.8%</b>	<b>4,597.8</b>	<b>3,895.1</b>	<b>3,977.6</b>
Minority Interest	108.8	96.0	13.4%	104.2	4.4%	108.8	96.0	98.4
<b>Total Liabilities and Equity</b>	<b>18,675.0</b>	<b>15,815.2</b>	<b>18.1%</b>	<b>17,183.9</b>	<b>8.7%</b>	<b>18,675.0</b>	<b>15,815.2</b>	<b>17,394.8</b>
Key Ratios	Q3 FY23	Q3 FY22		Q2 FY23		9M FY23	9M FY22	FY22
ROA	4.6%	3.0%		4.0%		3.8%	1.7%	2.2%
D/E	2.9	2.9		2.7		2.9	2.9	3.2
ROE	18.8%	11.9%		16.1%		16.2%	6.8%	9.1%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	1.71%	6.02%		2.17%		1.71%	6.02%	3.61%
Provisioning	2.04%	4.74%		2.46%		2.04%	4.74%	3.44%

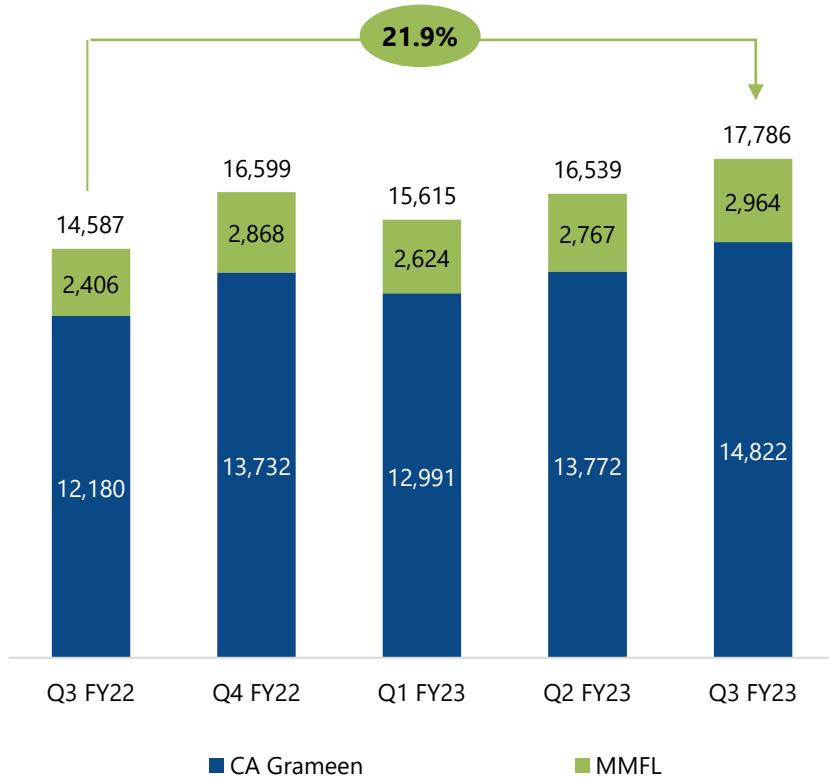
## Q3 & 9M FY23: Understanding the Credit Cost Impact

Consolidated (INR Cr)	CA Grameen		MMFL		Consolidated	
	Q3 FY23	9M FY23	Q3 FY23	9M FY23	Q3 FY23	9M FY23
Opening ECL - (A)	299.2	403.8	86.9	130.0	386.1	533.8
Additions (B)						
- Provisions as per ECL	36.7	119.6	7.9	17.2	44.6	136.8
Reversals (on account of write-off) (C)	62.4	250.0	23.7	76.1	86.1	326.1
Closing ECL (D = A+B-C)	273.5	273.5	71.1	71.1	344.6	344.6
Write-off (E)	84.9	333.9	46.0	151.0	130.9	485.0
<b>Credit Cost (F = B-C+E)</b>	<b>59.3</b>	<b>203.6</b>	<b>30.1</b>	<b>92.1</b>	<b>89.4</b>	<b>295.7</b>
<b>Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non-annualised)</b>	<b>0.4%</b>	<b>1.6%</b>	<b>1.1%</b>	<b>3.4%</b>	<b>0.6%</b>	<b>1.9%</b>
Bad-Debt Recovery (G)	10.3	25.0	6.2	16.3	16.5	41.3
<b>Net P&amp;L Impact (F – G)</b>	<b>49.0</b>	<b>178.5</b>	<b>23.9</b>	<b>75.8</b>	<b>73.0</b>	<b>254.4</b>
<b>Net P&amp;L Impact – % of Avg. On-Book Loan Portfolio (non-annualised)</b>	<b>0.3%</b>	<b>1.4%</b>	<b>0.9%</b>	<b>2.8%</b>	<b>0.5%</b>	<b>1.6%</b>

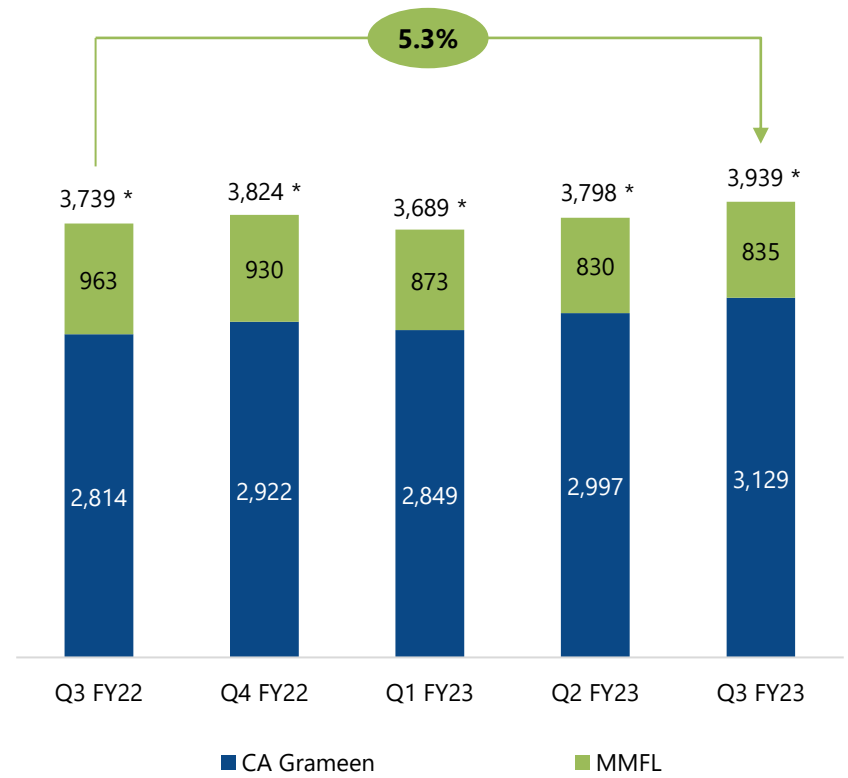
# Q3 FY23: Continued Business Traction with Rural Focus



**Gross Loan Portfolio (GLP) (INR Cr)**



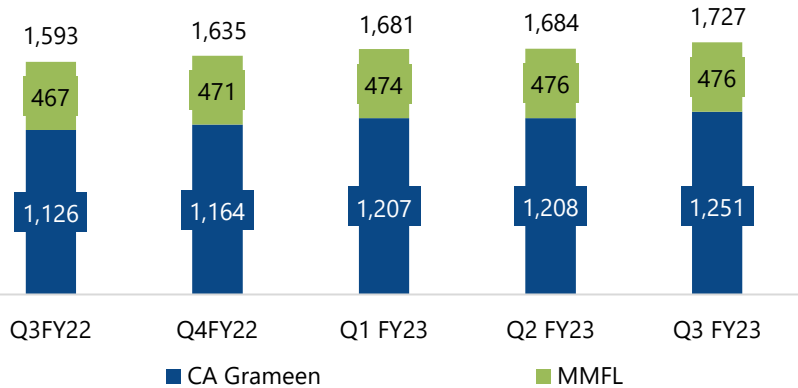
**Borrowers ('000)**



\* Excluding common borrowers

# Q3 FY23: Consistent Growth in Infrastructure

## Branches

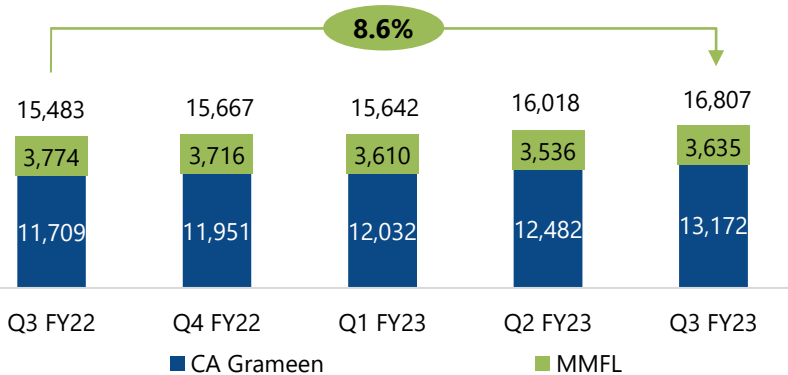


## Branch Additions

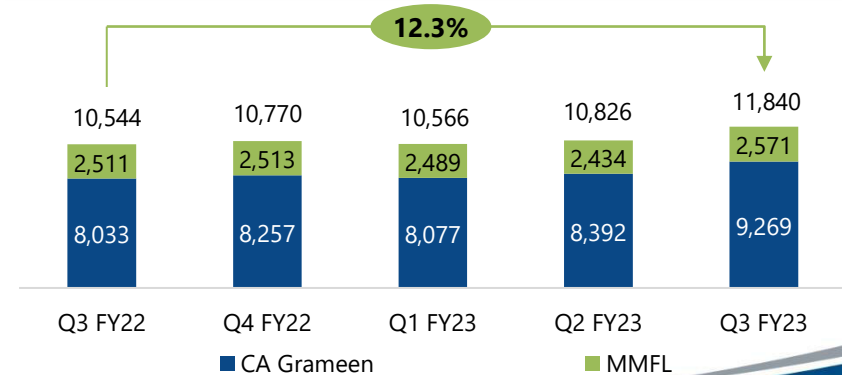
States	FY22	Q1 FY23	Q2 FY23	Q3 FY23
Bihar	35	10	-	19
Chhattisgarh	5	2	-	-
Gujarat	28	5	1	-
Jharkhand	10	5	-	-
Madhya Pradesh	20	1	-	6
Karnataka	10	-	-	-
Kerala	6	-	-	-
Maharashtra	6	9	-	6
Odisha	9	-	-	-
Rajasthan	35	6	-	5
Tamil Nadu	1	-4*	-	-
Uttar Pradesh	35	5	-	7
West Bengal	11	7	2	-
<b>Total</b>	<b>211</b>	<b>46</b>	<b>3</b>	<b>43</b>

\* At MMFL, 2 branches were merged while 2 business correspondent (BC) branches got closed

## Employees



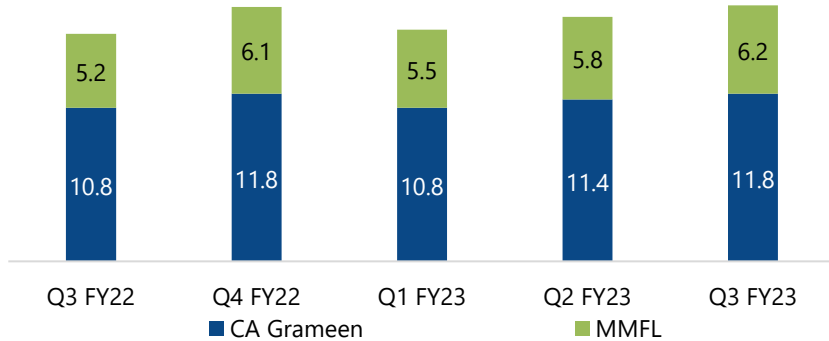
## Loan Officers



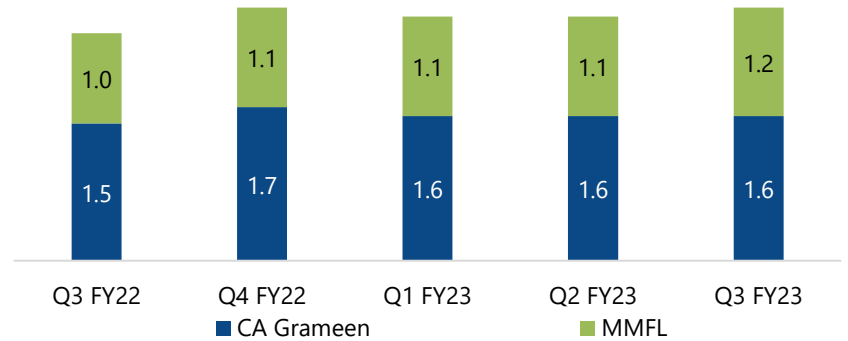
# Q3 FY23: Sustainable Operational Efficiency



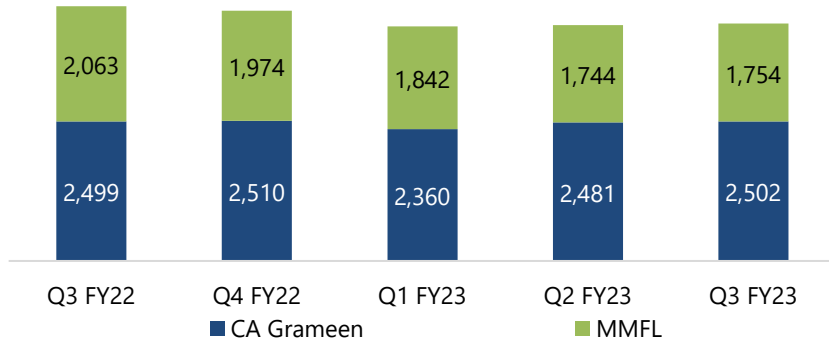
**GLP / Branch (INR Cr)**



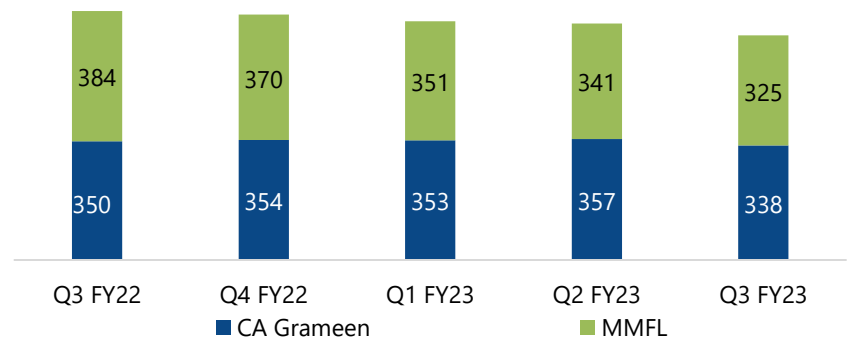
**GLP / Loan Officer (INR Cr)**



**Borrowers / Branch**



**Borrowers / Loan Officer**



# Q3 FY23: Product Range To Meet Diverse Customer Needs



GLP - Product Mix	Q3 FY22		Q4 FY22		Q1 FY23		Q2 FY23		Q3 FY23	
	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total
IGL (Incl. MMFL)	13,894	95%	15,949	96%	14,937	96%	15,801	96%	17,054	96%
Family Welfare	59	0%	38	0%	121	1%	185	1%	125	0.7%
Home Improvement	371	3%	414	3%	408	2%	429	2%	486	3%
Emergency	1	0%	3	0%	4	0%	7	0%	9	0%
Retail Finance	263	2%	196	1%	145	1%	117	1%	113	0.6%
<b>Total</b>	<b>14,587</b>	<b>100%</b>	<b>16,599</b>	<b>100%</b>	<b>15,615</b>	<b>100%</b>	<b>16,539</b>	<b>100%</b>	<b>17,786</b>	<b>100%</b>

GLP – Avg. O/S Per Loan (INR '000)	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23
IGL (Incl. MMFL)	29.5	32.1	30.3	30.0	31.1
Family Welfare	4.5	3.7	9.4	11.0	7.7
Home Improvement	9.6	10.0	9.7	9.4	9.3
Emergency	0.6	0.6	0.8	0.5	0.5
Retail Finance	48.9	47.2	48.8	48.0	51.2
<b>Total</b>	<b>27.6</b>	<b>29.8</b>	<b>28.1</b>	<b>27.4</b>	<b>28.1</b>

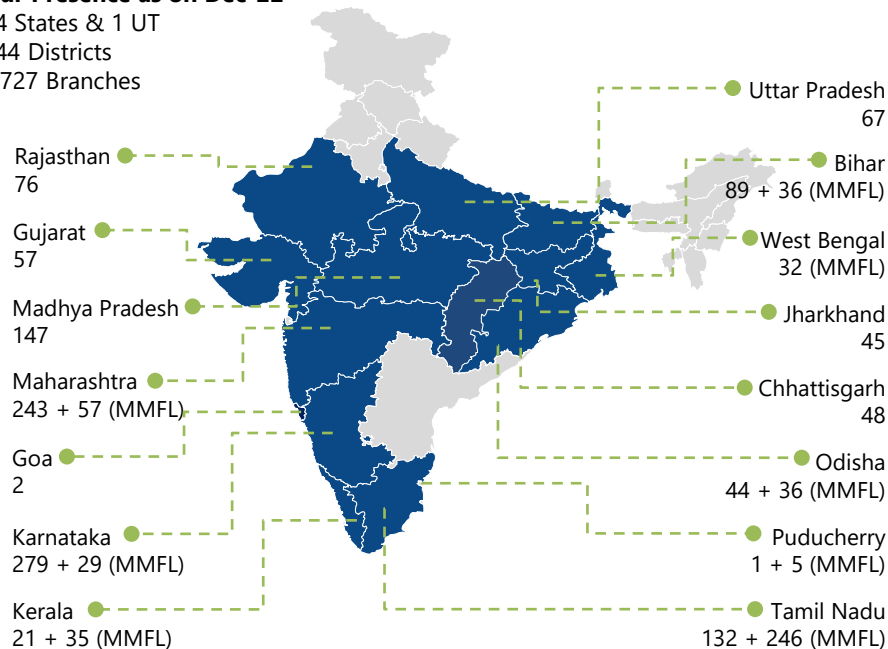
GLP – Avg. O/S Per Borrower (INR '000)	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23
CA Grameen	43.3	47.0	45.6	46.0	47.4
MMFL	24.9	30.8	30.1	33.3	35.5
<b>Total</b>	<b>39.0</b>	<b>43.4</b>	<b>42.3</b>	<b>43.5</b>	<b>45.2</b>



# Q3 FY23: Well-Diversified Presence Across India

## Our Presence as on Dec-22

14 States & 1 UT  
344 Districts  
1,727 Branches



Consolidated Exposure of Districts (% of GLP)	Q3 FY23	
	No. of Districts	% of Total Districts
< 0.5%	279	81%
0.5% - 1%	40	12%
1% - 2%	21	6%
2% - 4%	4	1%
> 4%	0	0%
<b>Total</b>	<b>344</b>	<b>100%</b>

Consolidated District in terms of GLP	Q3 FY23 % of Total GLP
Top 1	3%
Top 3	8%
Top 5	12%
Top 10	20%
Other	80%

Q3 FY23 Consolidated	Branches	% Share	Borrowers ('000)	% Share	GLP (INR Cr)	% Share
Karnataka	308	17.8%	1,071	27.2%	6,176	34.7%
Maharashtra	300	17.4%	786	19.9%	3,738	21.0%
Tamil Nadu	378	21.9%	874	22.2%	3,695	20.8%
Madhya Pradesh	147	8.5%	308	7.8%	1,173	6.6%
Other States & UT	594	34.4%	900	22.8%	3,004	16.9%
<b>Total</b>	<b>1,727</b>	<b>100.0%</b>	<b>3,939*</b>	<b>100.0%</b>	<b>17,786</b>	<b>100.0%</b>

\* Excluding 25,818 Common Borrowers

Key Business Updates

Consolidated Results Overview

**CA Grameen: Financial Metrics**

MMFL: Financial Metrics

Investment Rationale

Annexure



# Q3 FY23: CA Grameen Standalone Performance Highlights



**GLP: INR 14,822 Cr**  
**(+21.7% YoY)**

**NIM**  
**12.0% / 12.3%<sup>2</sup>**  
**Weighted Avg. COB**  
**9.5%**

**Cost/Income Ratio**  
**35.3%**  
**Opex/GLP Ratio**  
**5.0%**

**PPOP**  
**INR 324 Cr**  
**(+31.8% YoY)**

**PAT: INR 197 Cr**  
**(+52.8% YoY)**

**ROA**  
**4.9%**  
**ROE**  
**17.8%**

**Capital Adequacy Ratio**  
**28.4%**  
**Tier 1 Ratio**  
**27.7%**

**Total Equity**  
**INR 4,526 Cr**  
**D/E Ratio**  
**2.5**

**GNPA (GS3): 1.48%**  
**NNPA: 0.42%**  
**PAR 90+: 1.20%**

**Provisioning**  
**1.94%**  
**Write-off**  
**INR 85 Cr**

**Branches 1,251**  
**(+11.1% YoY)**  
**13,172 Employees**  
**(+12.5% YoY)**

**Active Borrowers**  
**31.29 Lakh<sup>1</sup>**  
**(+11.2% YoY)**

- 1) 25,561 borrowers were written off during Q3 FY23 while 2,48,173 new borrowers were added during the same period
- 2) Adjusted NIM excluding the impact of excess liquidity held during Q3 FY23

# Q3 & 9M FY23: CA Grameen Standalone P&L Statement



Profit & Loss Statement (INR Cr)	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ%	9M FY23	9M FY22	YoY%	FY22
Interest Income	719.8	544.9	32.1%	644.7	11.6%	1,971.8	1,520.5	29.7%	2,124.8
- Interest on Loans <sup>1</sup>	704.5	539.6	30.6%	637.1	10.6%	1,941.4	1,500.1	29.4%	2,099.3
- Interest on Deposits with Banks and FIs	15.3	5.3	189.6%	7.6	100.1%	30.4	20.4	49.1%	25.5
Income from Direct Assignment	19.8	-3.0	-	10.9	82.2%	30.7	11.7	162.4%	70.0
Finance Cost on Borrowings	258.7	192.5	34.4%	221.3	16.9%	705.6	571.6	23.4%	788.1
<b>Net Interest Income</b>	<b>480.9</b>	<b>349.4</b>	<b>37.6%</b>	<b>434.3</b>	<b>10.7%</b>	<b>1,296.9</b>	<b>960.6</b>	<b>35.0%</b>	<b>1,406.6</b>
Non-interest Income & Other Income <sup>2</sup>	19.9	34.8	-42.9%	16.7	19.2%	50.4	65.9	-23.5%	96.4
<b>Total Net Income</b>	<b>500.7</b>	<b>384.2</b>	<b>30.3%</b>	<b>451.0</b>	<b>11.0%</b>	<b>1,347.3</b>	<b>1,026.5</b>	<b>31.2%</b>	<b>1,503.1</b>
Employee Expenses	104.8	91.5	14.5%	105.9	-1.0%	309.8	262.0	18.2%	353.5
Other Expenses	64.4	40.7	58.1%	52.6	22.3%	161.0	114.8	40.2%	161.3
Depreciation, Amortisation & Impairment	7.8	6.3	23.4%	7.9	-1.5%	22.6	18.9	19.4%	26.2
<b>Pre-Provision Operating Profit</b>	<b>323.8</b>	<b>245.6</b>	<b>31.8%</b>	<b>284.5</b>	<b>13.8%</b>	<b>854.0</b>	<b>630.8</b>	<b>35.4%</b>	<b>962.1</b>
Impairment of Financial Instruments	59.3	73.8	-19.6%	78.0	-24.0%	203.6	321.1	-36.6%	449.4
<b>Profit Before Tax</b>	<b>264.5</b>	<b>171.8</b>	<b>53.9%</b>	<b>206.6</b>	<b>28.0%</b>	<b>650.4</b>	<b>309.6</b>	<b>110.0%</b>	<b>512.6</b>
Total Tax Expense	67.1	42.6	57.3%	47.8	40.2%	161.7	78.9	105.0%	130.5
<b>Profit After Tax</b>	<b>197.4</b>	<b>129.2</b>	<b>52.8%</b>	<b>158.7</b>	<b>24.4%</b>	<b>488.7</b>	<b>230.8</b>	<b>111.8%</b>	<b>382.1</b>
Key Ratios	Q3 FY23	Q3 FY22		Q2 FY23		9M FY23	9M FY22		FY22
Portfolio Yield	19.6%	18.6%		19.1%		18.9%	18.2%		18.3%
Cost of Borrowings	9.5%	9.2%		9.1%		9.2%	9.3%		9.2%
NIM	12.0%	11.7%		12.1%		11.7%	11.0%		11.1%
Cost/Income Ratio	35.3%	36.1%		36.9%		36.6%	38.6%		36.0%
Opex/GLP Ratio	5.0%	4.7%		5.0%		4.8%	4.7%		4.6%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 13.2 Cr in Q3 FY23 (vs INR 17.6 Cr in Q3 FY22) and INR 45.6 Cr in 9M FY23 (vs INR 58.1 Cr in 9M FY22)

2) Bad debt recovery was INR 10.3 Cr in Q3 FY23 (vs INR 26.8 Cr in Q3 FY22) and INR 25.0 Cr in 9M FY23 (vs INR 42.2 Cr in 9M FY22)

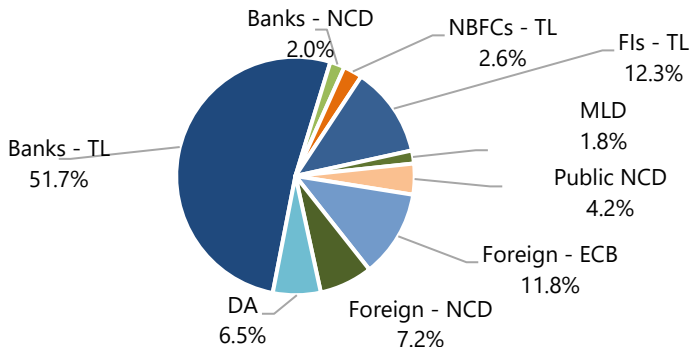
# Q3 & 9M FY23: CA Grameen Standalone Balance Sheet



Balance Sheet (INR Cr)	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ%	9M FY23	9M FY22	FY22
Cash & Other Bank Balances	765.5	1,367.8	-44.0%	482.7	58.6%	765.5	1,367.8	1,534.3
Investments	437.8	0.0	-	389.2	12.5%	437.8	0.0	0.0
Loans - (Net of Impairment Loss Allowance)	13,879.9	11,166.7	24.3%	12,834.2	8.1%	13,879.9	11,166.7	12,201.6
Property, Plant and Equipment	26.0	20.7	25.4%	25.8	0.6%	26.0	20.7	26.1
Intangible Assets	15.2	16.8	-9.2%	15.9	-3.9%	15.2	16.8	17.4
Right to Use Assets	67.3	63.4	6.2%	68.6	-1.9%	67.3	63.4	74.6
Other Financial & Non-Financial Assets	261.9	226.3	15.7%	260.3	0.6%	261.9	226.3	277.8
Investment in MMFL	663.3	662.9	0.1%	663.3	0.0%	663.3	662.9	663.3
<b>Total Assets</b>	<b>16,117.0</b>	<b>13,524.7</b>	<b>19.2%</b>	<b>14,740.0</b>	<b>9.3%</b>	<b>16,117.0</b>	<b>13,524.7</b>	<b>14,795.1</b>
Debt Securities	1,838.7	1,544.2	19.1%	1,094.4	68.0%	1,838.7	1,544.2	1,372.8
Borrowings (other than debt securities)	9,401.2	7,772.2	21.0%	8,971.8	4.8%	9,401.2	7,772.2	9,112.3
Subordinated Liabilities	0.0	0.0	-	0.0	-	0.0	0.0	0.0
Lease Liabilities	80.4	73.2	9.9%	81.1	-0.9%	80.4	73.2	84.8
Other Financial & Non-financial Liabilities	270.2	272.1	-0.7%	260.4	3.8%	270.2	272.1	285.4
<b>Total Equity</b>	<b>4,526.4</b>	<b>3,863.1</b>	<b>17.2%</b>	<b>4,332.2</b>	<b>4.5%</b>	<b>4,526.4</b>	<b>3,863.1</b>	<b>3,939.8</b>
<b>Total Liabilities and Equity</b>	<b>16,117.0</b>	<b>13,524.7</b>	<b>19.2%</b>	<b>14,740.0</b>	<b>9.3%</b>	<b>16,117.0</b>	<b>13,524.7</b>	<b>14,795.1</b>
Key Ratios	Q3 FY23	Q3 FY22		Q2 FY23		9M FY23	9M FY22	FY22
ROA	4.9%	3.8%		4.2%		4.1%	2.3%	2.7%
D/E	2.5	2.4		2.3		2.5	2.4	2.7
ROE	17.8%	13.6%		15.1%		15.4%	8.3%	10.1%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	1.48%	5.50%		1.73%		1.48%	5.50%	3.12%
Provisioning	1.94%	4.40%		2.29%		1.94%	4.40%	3.19%

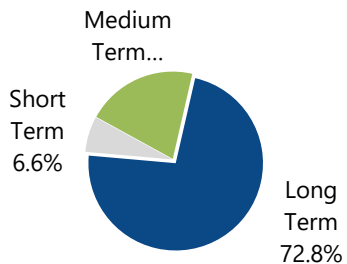
# Q3 FY23: Well-Diversified Liability Mix

## Liability Mix - Institution / Instrument Wise (%)



Note: O/S Direct Assignment (Sold Portion) - INR 771.5 Cr

## Liability Mix - Tenure Wise (%)



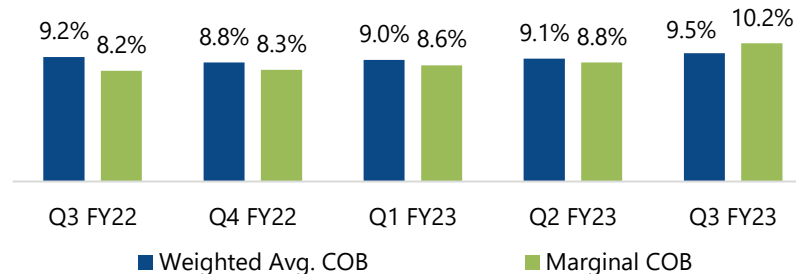
	Source	% Mix
Short Term <= 1 year (incl. DA)	Domestic	6.6%
	Foreign	1.1%
Medium Term > 1 year, <= 2 years	Domestic	19.5%
	Foreign	1.1%
Long Term > 2 years	Domestic	53.7%
	Foreign	19.1%

**Share of Foreign Borrowings at 20.2%**

## Focus on dynamic liability management

- Focus on long-term funding with strong diversification between domestic & foreign sources
- Target to meet funding requirements through foreign/long-term sources over the medium term, with diversified products
- Diverse lenders' base:
  - 40 Commercial Banks, 3 Financial Institutions, 8 Foreign Institutional Investors, 5 NBFCs
- Continued focus to minimize the cost of borrowing

## Cost of Borrowing (%)



**Note:** The increase in COB in Q3 FY23 was primarily due to higher proportion (56%) of long-term debt (foreign – ECB & NCD, and public NCD) in incremental drawdowns, which came at higher cost. The COB on bank/ NBFC/ FI borrowings was stable QoQ.

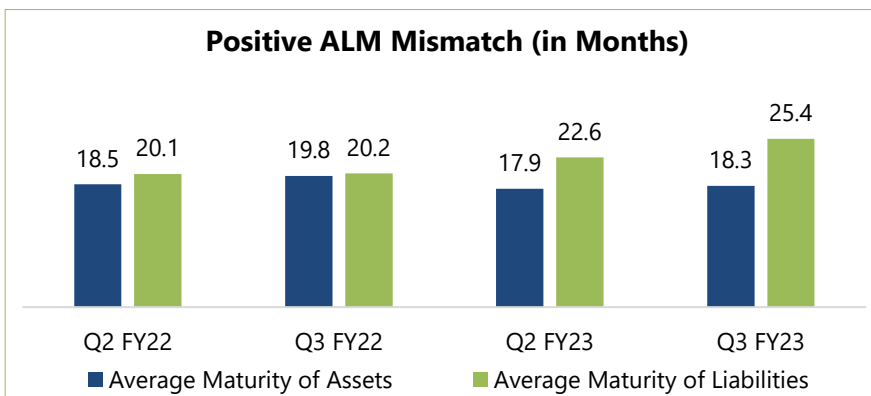
# Q3 FY23: Stable Liquidity/ ALM Position/ Credit Ratings



Static Liquidity / ALM Position Particulars (INR Cr)	For the Month			For the Financial Year	
	Jan-23	Feb-23	Mar-23	FY23 (Jan-23 to Mar-23)	FY24
Opening Cash & Equivalents (A)	1,201.4	1,248.5	1,481.4	1,201.4	1,830.2
Loan recovery [Principal] (B)	864.3	779.8	875.1	2,519.2	8,178.0
<b>Total Inflow (C=A+B)</b>	<b>2,065.6</b>	<b>2,028.3</b>	<b>2,356.5</b>	<b>3,720.6</b>	<b>10,008.2</b>
Borrowing Repayment [Principal]					
Term loans and Others (D)	691.8	353.8	393.7	1,439.2	4,164.0
NCDs ( E )	24.2	97.0	50.0	171.2	604.0
Direct Assignment (F)	101.2	96.1	82.7	280.0	553.5
<b>Total Outflow G=(D+E+F)</b>	<b>817.2</b>	<b>546.9</b>	<b>526.3</b>	<b>1,890.3</b>	<b>5,321.5</b>
Closing Cash & equivalents (H= C-G)	1,248.5	1,481.4	1,830.2	1,830.2	4,686.8
<b>Static Liquidity (B-G)</b>	<b>47.1</b>	<b>232.9</b>	<b>348.8</b>	<b>628.9</b>	<b>2,856.6</b>

Debt Diversification	Q3 FY23
<b>Total Drawdowns</b>	<b>3,300</b>
Domestic *	64%
Foreign	36%
<b>Undrawn Sanction</b>	<b>3,316</b>
Domestic	84%
Foreign	16%
<b>Sanctions in Pipeline</b>	<b>7,187</b>
Domestic	87%
Foreign	13%

\* Includes Direct Assignment of 297.8 Cr

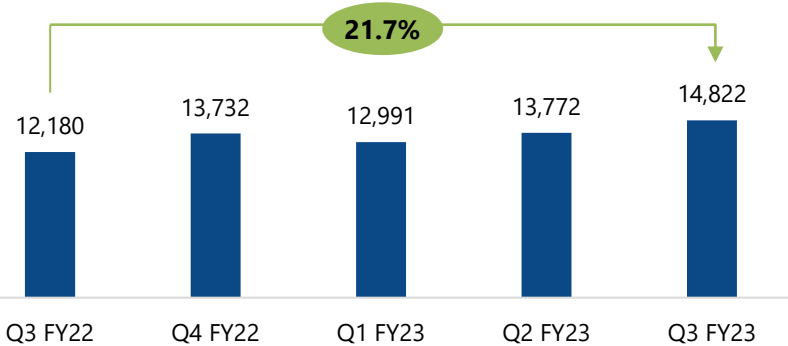


Rating Instrument	Rating Agency	Rating/Grading
Bank Facilities	Ind-Ra	AA- (Stable)
	ICRA	A+ (Positive)
	CRISIL	A+ (Positive)
Non-Convertible Debentures	Ind-Ra	AA- (Stable)
	ICRA	A+ (Positive)
	CRISIL	A+ (Positive)
Commercial Paper	ICRA	A1+
Comprehensive Microfinance Grading *	CRISIL	M1C1
Client Protection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

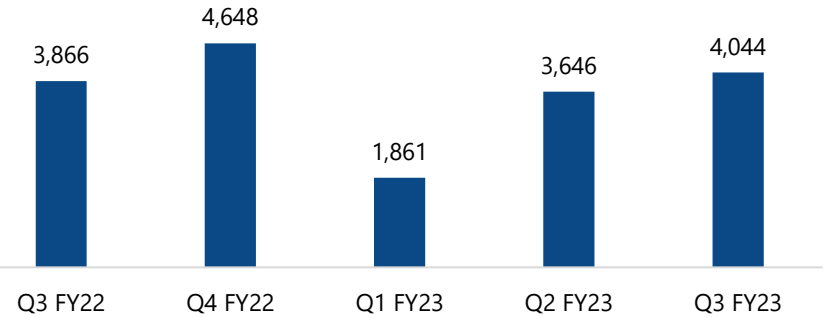
\* Institutional Grading/Code of Conduct Assessment (COCA)

# Q3 FY23: Robust Quarterly Performance Trend (1/2)

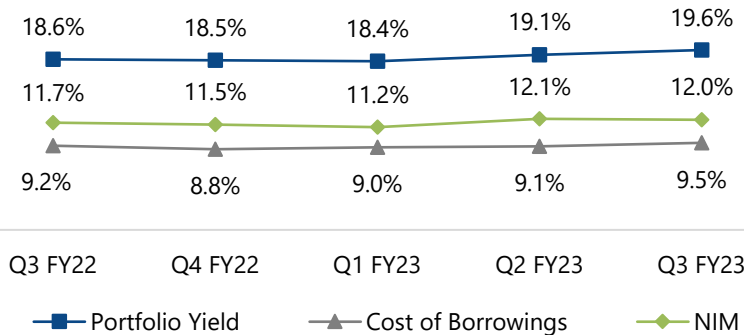
## Gross Loan Portfolio (GLP) (INR Cr)



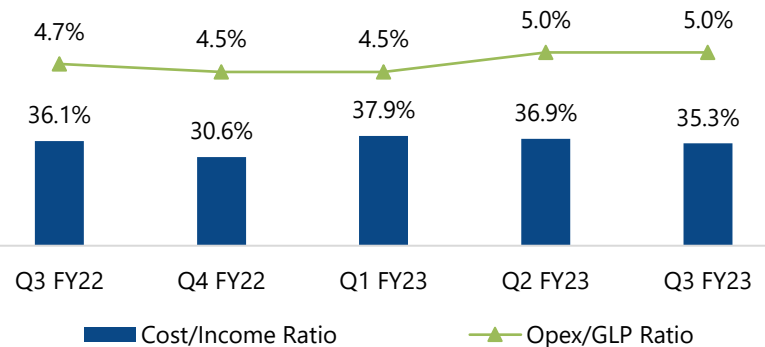
## Disbursements (INR Cr)



## Margin Analysis (%)



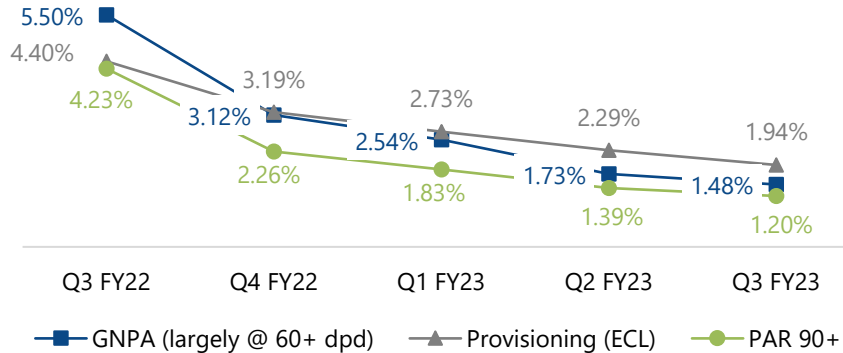
## Operating Efficiency (%)



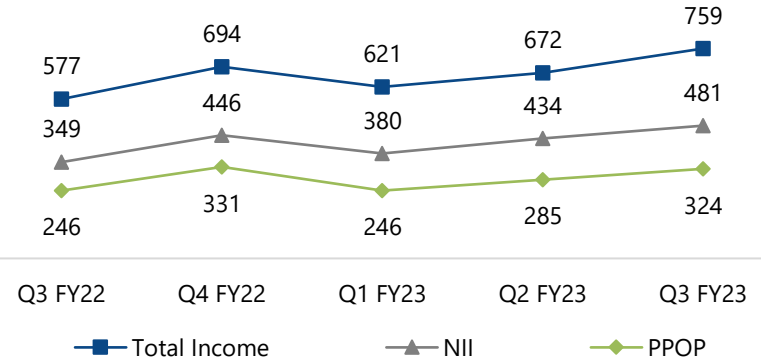


# Q3 FY23: Robust Quarterly Performance Trend (2/2)

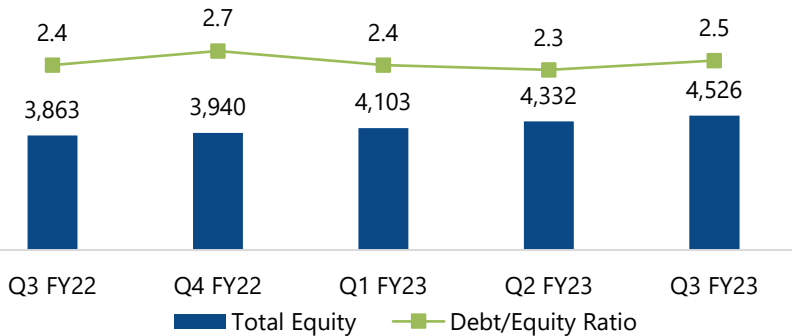
## Asset Quality (%)



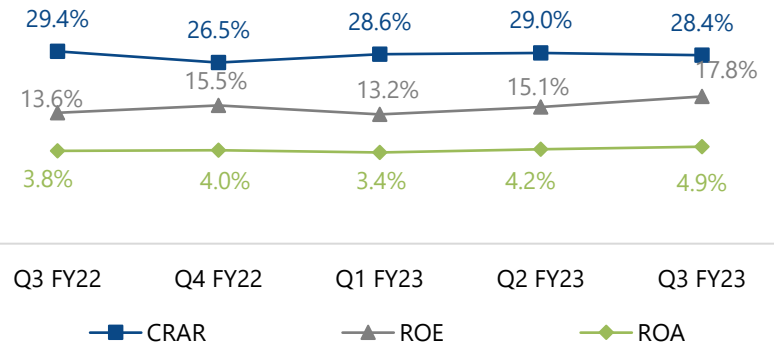
## Total Income, NII, PPOP (INR Cr)



## Total Equity (INR Cr) & Debt/Equity Ratio



## Return Ratios & Capital Adequacy (%)



Key Business Updates

Consolidated Results Overview

CA Grameen: Financial Metrics

**MMFL: Financial Metrics**

Investment Rationale

Annexure



# Q3 FY23: MMFL Performance Highlights



**GLP**  
INR 2,964 Cr  
(+23.2% YoY)

**NIM**  
10.4% / 11.7%<sup>2</sup>  
**Weighted Avg. COB**  
10.2%

**Cost/Income Ratio**  
37.0%  
**Opex/GLP Ratio**  
4.9%

**PPOP**  
INR 60 Cr  
(+85.7%)

**PAT**  
INR 23 Cr  
(+349.7% YoY)

**ROA**  
2.9%  
**ROE**  
20.9%

**Capital Adequacy Ratio**  
22.2%  
**Tier 1 Ratio**  
15.0%

**Total Equity**  
INR 441 Cr  
**D/E Ratio**  
5.6x

**GNPA (GS3): 2.89%**  
**NNPA: 1.46%**  
**PAR 90+: 2.09%**

**Provisioning**  
2.57%  
**Write-off**  
46 Cr

**Branches 476**  
(+1.9% YoY)  
**Employees 3,635**  
(-3.7% YoY)

**Active Borrowers**  
8.35 Lakh<sup>1</sup>  
(-13.3%)

- 1) 48,296 borrowers were written off during Q3 FY23 while 57,214 new borrowers were added during the same period
- 2) Excluding the impact of de-recognition of interest income during Q3 FY23

# Q3 & 9M FY23: MMFL P&L Statement



Profit & Loss Statement (INR Cr)	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ%	9M FY23	9M FY22	YoY%	FY22
Interest Income	140.2	109.2	28.4%	131.7	6.4%	405.8	318.3	27.5%	446.1
- Interest on Loans <sup>1</sup>	138.3	107.9	28.2%	130.2	6.2%	401.2	311.8	28.7%	437.9
- Interest on Deposits with Banks and FIs	1.9	1.3	46.2%	1.6	21.8%	4.7	6.6	-29.1%	8.3
Income from Direct Assignment	7.0	0.0	-	7.2	-2.5%	19.9	0.0	-	0.0
Finance Cost on Borrowings	60.6	46.5	30.3%	57.1	6.1%	176.9	146.3	20.9%	201.2
<b>Net Interest Income</b>	<b>86.6</b>	<b>62.7</b>	<b>38.2%</b>	<b>81.9</b>	<b>5.8%</b>	<b>248.8</b>	<b>172.1</b>	<b>44.6%</b>	<b>244.9</b>
Non-interest Income & Other Income <sup>2</sup>	8.5	3.9	115.3%	8.2	2.7%	21.5	10.1	111.9%	16.7
<b>Total Net Income</b>	<b>95.0</b>	<b>66.6</b>	<b>42.7%</b>	<b>90.1</b>	<b>5.5%</b>	<b>270.3</b>	<b>182.2</b>	<b>48.3%</b>	<b>261.6</b>
Employee Expenses	22.4	21.2	5.4%	23.8	-6.0%	70.9	63.3	12.1%	84.1
Other Expenses	12.1	12.0	1.0%	11.6	4.6%	34.9	29.9	16.8%	42.6
Depreciation, Amortisation & Impairment	0.7	1.2	-39.1%	0.8	-12.8%	2.5	3.6	-30.5%	4.6
<b>Pre-Provision Operating Profit</b>	<b>59.9</b>	<b>32.2</b>	<b>85.7%</b>	<b>53.9</b>	<b>11.0%</b>	<b>162.0</b>	<b>85.5</b>	<b>89.4%</b>	<b>130.3</b>
Impairment of Financial Instruments	30.1	44.2	-31.8%	27.4	10.0%	92.1	124.6	-26.1%	147.3
<b>Profit Before Tax</b>	<b>29.7</b>	<b>-11.9</b>	<b>349.0%</b>	<b>26.5</b>	<b>12.1%</b>	<b>69.8</b>	<b>-39.1</b>	<b>278.7%</b>	<b>-17.0</b>
Total Tax Expense	7.2	-2.9	346.9%	6.1	19.5%	16.8	-10.0	268.3%	-3.1
<b>Profit After Tax</b>	<b>22.5</b>	<b>-9.0</b>	<b>349.7%</b>	<b>20.5</b>	<b>9.9%</b>	<b>53.0</b>	<b>-29.1</b>	<b>282.2%</b>	<b>-13.9</b>
Key Ratios	Q3 FY23	Q3 FY22		Q2 FY23		9M FY23	9M FY22		FY22
Portfolio Yield	19.5%	18.7%		19.3%		18.9%	19.0%		18.6%
Cost of Borrowings	10.2%	10.1%		9.9%		9.9%	10.4%		10.2%
NIM	10.4%	10.2%		10.4%		10.1%	9.7%		9.7%
Cost/Income Ratio	37.0%	51.6%		40.2%		40.1%	53.1%		50.2%
Opex/GLP Ratio	4.9%	6.0%		5.4%		5.1%	5.8%		5.6%

1) Interest income (on Stage 3 portfolio) de-recognized was INR 9.0 Cr in Q3 FY23 (vs INR 4.8 Cr in Q3 FY22) and INR 19.1 Cr in 9M FY23 (vs INR 6.2 Cr in 9M FY22)

2) Bad debt recovery was INR 6.2 Cr in Q3 FY23 (vs INR 2.4 Cr in Q3 FY22) and INR 16.3 Cr in 9M FY23 (vs INR 5.4 Cr in H1 FY22)

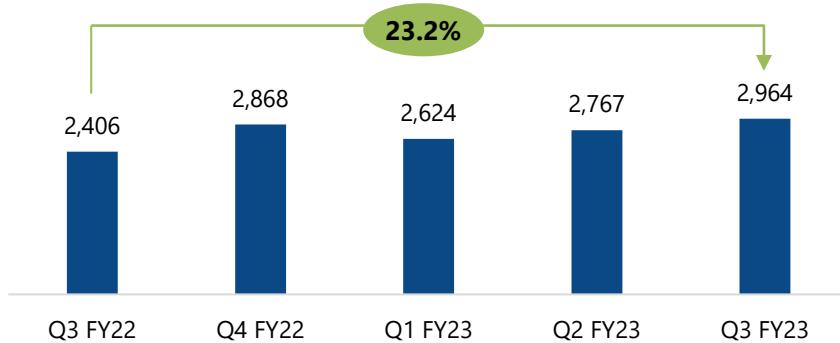
# Q3 & 9M FY23: MMFL Balance Sheet



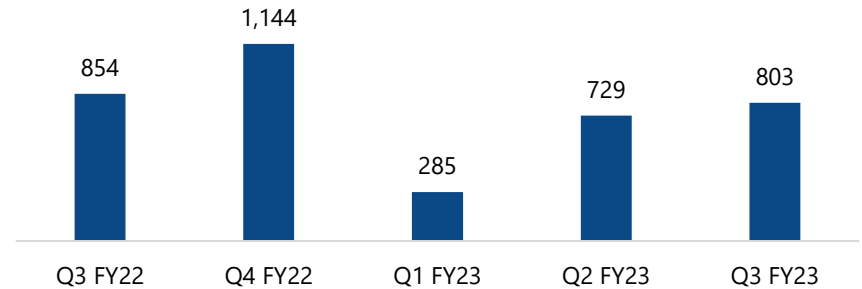
Balance Sheet (INR Cr)	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ%	9M FY23	9M FY22	FY22
Cash & Other Bank Balances	235.7	253.9	-7.2%	274.4	-14.1%	235.7	253.9	227.0
Investments	0.0	0.0	-	0.0	-	0.0	0.0	0.0
Loans - (Net of Impairment Loss Allowance)	2,672.0	2,212.3	20.8%	2,511.3	6.4%	2,672.0	2,212.3	2,713.3
Property, Plant and Equipment	4.7	5.9	-19.9%	5.0	-5.4%	4.7	5.9	5.6
Intangible Assets	2.3	3.1	-26.7%	2.5	-8.2%	2.3	3.1	2.9
Right to Use Assets	0.0	0.3	-	0.0	-	0.0	0.3	0.1
Other Financial & Non-Financial Assets	50.9	55.7	-8.6%	56.0	-9.1%	50.9	55.7	49.2
<b>Total Assets</b>	<b>2,965.5</b>	<b>2,531.0</b>	<b>17.2%</b>	<b>2,849.1</b>	<b>4.1%</b>	<b>2,965.5</b>	<b>2,531.0</b>	<b>2,998.2</b>
Debt Securities	0.0	102.1	-100.0%	0.0	-	0.0	102.1	44.8
Borrowings (other than debt securities)	2,249.7	1,948.4	15.5%	2,160.0	4.2%	2,249.7	1,948.4	2,312.5
Subordinated Liabilities	230.2	80.6	185.7%	228.3	0.9%	230.2	80.6	224.5
Lease Liabilities	0.0	0.3	-	0.0	-	0.0	0.3	0.2
Other Financial & Non-financial Liabilities	44.6	27.1	64.5%	42.3	5.3%	44.6	27.1	28.4
<b>Total Equity</b>	<b>441.0</b>	<b>372.6</b>	<b>18.4%</b>	<b>418.6</b>	<b>5.4%</b>	<b>441.0</b>	<b>372.6</b>	<b>387.7</b>
<b>Total Liabilities and Equity</b>	<b>2,965.5</b>	<b>2,531.0</b>	<b>17.2%</b>	<b>2,849.1</b>	<b>4.1%</b>	<b>2,965.5</b>	<b>2,531.0</b>	<b>2,998.2</b>
Key Ratios	Q3 FY23	Q3 FY22		Q2 FY23		9M FY23	9M FY22	FY22
ROA	2.9%	-1.5%		2.8%		2.3%	-1.5%	-0.5%
D/E	5.6	5.7		5.7		5.6	5.7	6.7
ROE	20.9%	-9.6%		20.0%		17.2%	-10.0%	-3.6%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	2.89%	8.60%		4.37%		2.89%	8.60%	5.82%
Provisioning	2.57%	6.43%		3.35%		2.57%	6.43%	4.57%

# Q3 FY23: MMFL Quarterly Performance Trend (1/2)

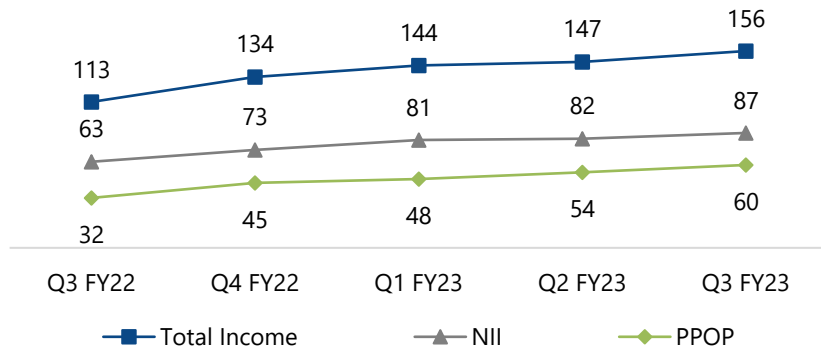
## Gross Loan Portfolio (GLP) (INR Cr)



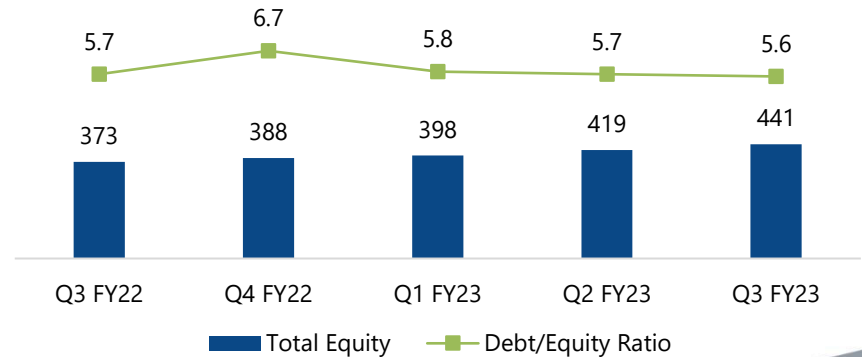
## Disbursements (INR Cr)



## Total Income, NII, PPOP (INR Cr)

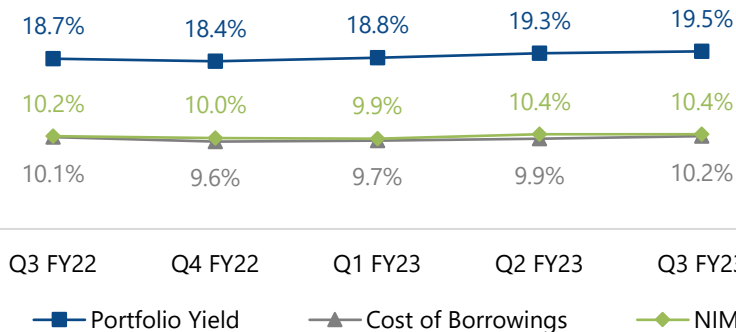


## Total Equity (INR Cr) & Debt/Equity Ratio

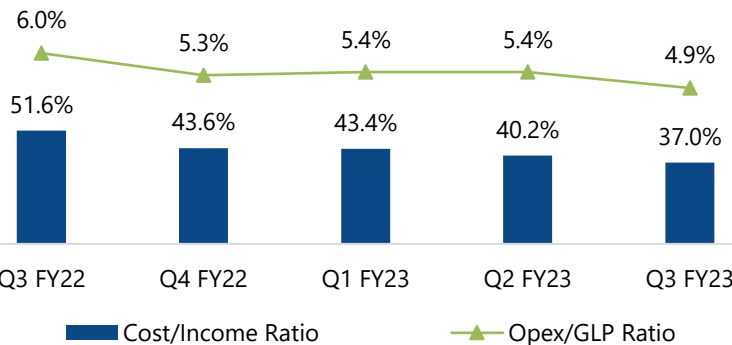


# Q3 FY23: MMFL Quarterly Performance Trend (2/2)

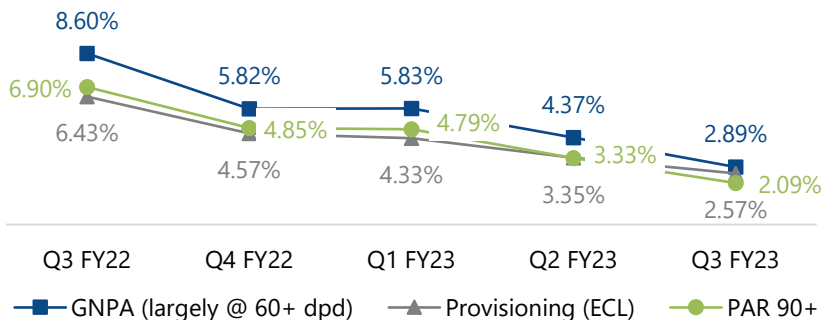
## Margin Analysis (%)



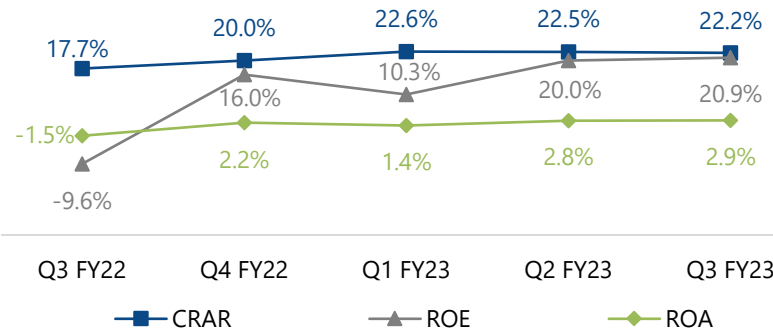
## Operating Efficiency (%)



## Asset Quality (%)



## Return Ratios & Capital Adequacy (%)



# Q3 FY23: MMFL Diversified Liability, Stable Liquidity, Positive ALM



Liability Mix – Institution / Instrument Wise	Q3 FY23
Banks – Term Loan	72.9%
Fls – Term Loan	5.2%
NBFCs – Term Loan	5.5%
Sub-Debt	8.4%
Direct Assignment <sup>1</sup>	8.1%

1) O/S Direct Assignment (Sold Portion): INR 217.1 Cr

Liability Mix – Tenure Wise	Q3 FY23
<= 1 Years	10.7%
> 1 & <= 2 Years	68.8%
> 2 Years	20.5%

Credit Rating	Rating Agency	Rating / Grading
Bank Facilities	ICRA CARE	A- (OWP)
Sub- Debt	ICRA	A- (OWP)
MFI	CARE	MF12+

OWP – On watch with positive implication

Static Liquidity / ALM Position Particulars (INR Cr)	For the month		
	Jan-23	Feb-23	Mar-23
Opening Cash & Equivalents (A)	219.5	272.0	346.1
Loan recovery [Principal] (B)	231.8	233.7	251.4
<b>Total Inflow (C=A+B)</b>	<b>451.3</b>	<b>505.7</b>	<b>597.5</b>
Borrowing Repayment [Principal]			
Term loans and Others (D)	160.3	140.6	160.0
Securitisation and DA (E)	19.0	19.0	16.7
<b>Total Outflow G=(D+E)</b>	<b>179.3</b>	<b>159.6</b>	<b>176.7</b>
Closing Cash & equivalents (H= C-G)	272.0	346.1	420.8
<b>Static Liquidity (B-G)</b>	<b>52.5</b>	<b>74.1</b>	<b>74.7</b>

Debt Drawdowns (INR Cr)	Q3 FY23	Undrawn Sanctions as on 30 <sup>th</sup> September 2022	Sanctions in Pipeline as on 30 <sup>th</sup> September 2022
Banks – TL	468.8	INR 155 Cr	INR 495 Cr
Direct Assignment	91.9		
<b>Total</b>	<b>560.6</b>		



Key Business Updates

Consolidated Results Overview

CA Grameen: Financial Metrics

MMFL: Financial Metrics

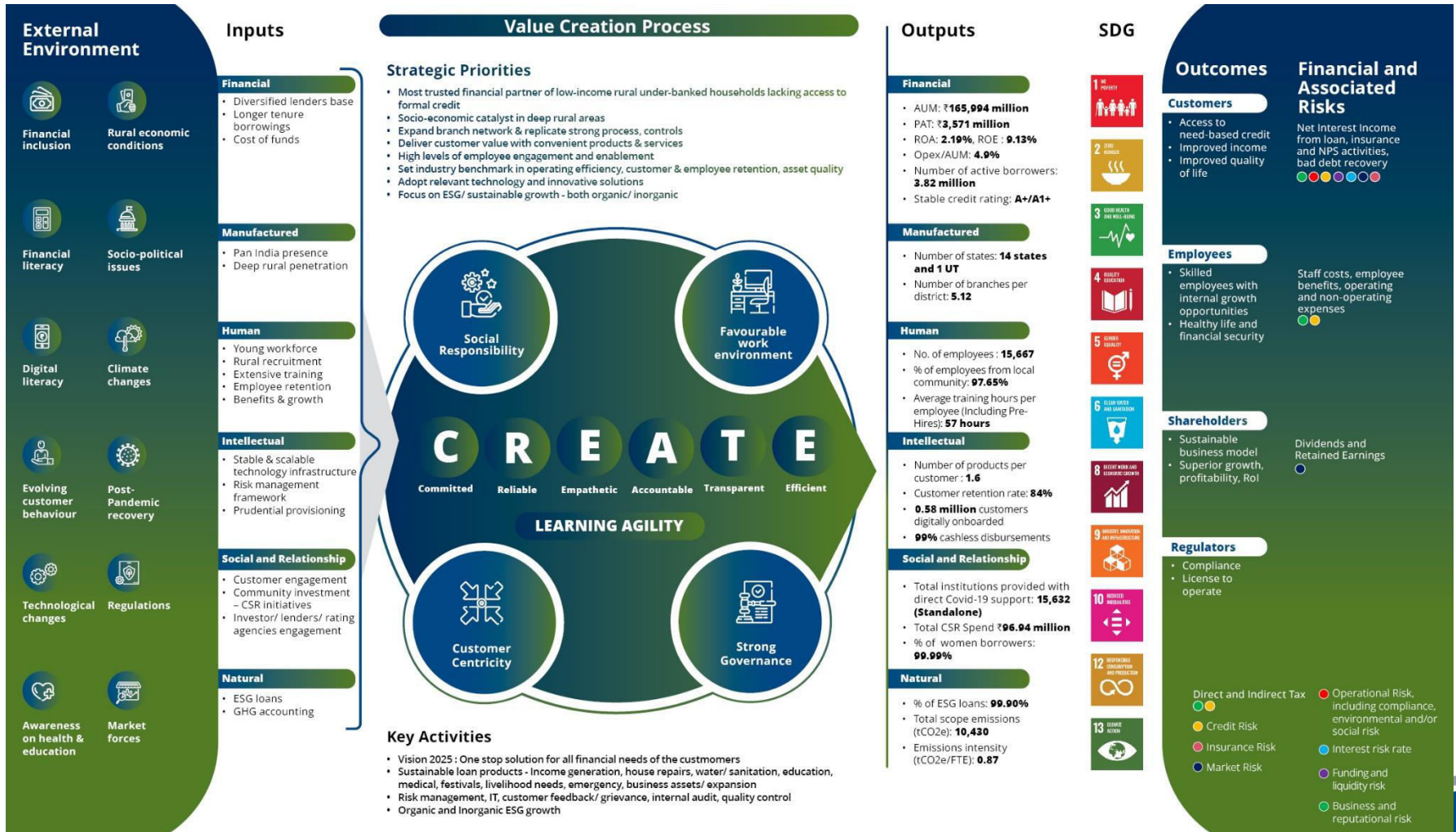
**Investment Rationale**

Annexure



# Business Model with Inherent ESG Adherence (1/2)

Note: All performance metrics are as on FY22



### Key Activities

- Vision 2025 : One stop solution for all financial needs of the customers
- 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
- Organic and Inorganic ESG growth

# Business Model with Inherent ESG Adherence (2/2)

Note: All performance metrics are as on FY22

## Environmental

- **Positive E & S impact:** 99.9% loans
- **Emissions Measurement: (Standalone)**

Emissions	Intensity (tCO2/FTE)
Scope 1	0.00
Scope 2	0.28
Scope 3	0.59

- **Aim to achieve Net Zero operations in long term**

## Community Focus / Strategic CSR:

- **Covid support:** 758,144 beneficiaries from 16,667 institutions
- **Vaccination drive:** 35,344 beneficiaries
- **Anganawadi improvement program:** 21,613 beneficiaries
- **Disaster relief support:** 23,893 beneficiaries

## Other initiatives & plans:

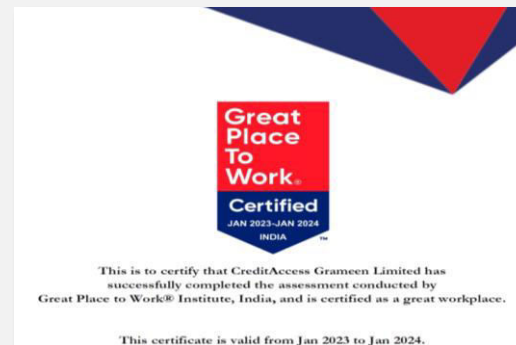
- Mobile health check-up vehicles
- Improvements in rural health infrastructure
- Improvements in rural education
- Livelihood & skill development for rural youth and differently abled children
- Rainwater harvesting
- Groundwater improvement programme

## Social

- **Customer Protection / Fair Practices:**



- **Employee Centricity / Well-Being;**



## Governance

- **Board structure:**
  - 57% independent, 29% women

- **Committees of the Board:**

Stakeholders' Relationship	Asset Liability Management
Nomination and Remuneration	Executive Borrowings & Investment
CSR & ESG	Audit
Risk Management	IT Strategy

- **ESG Policy framework**

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

# Committed to Basics Through Classical JLG Lending Model

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

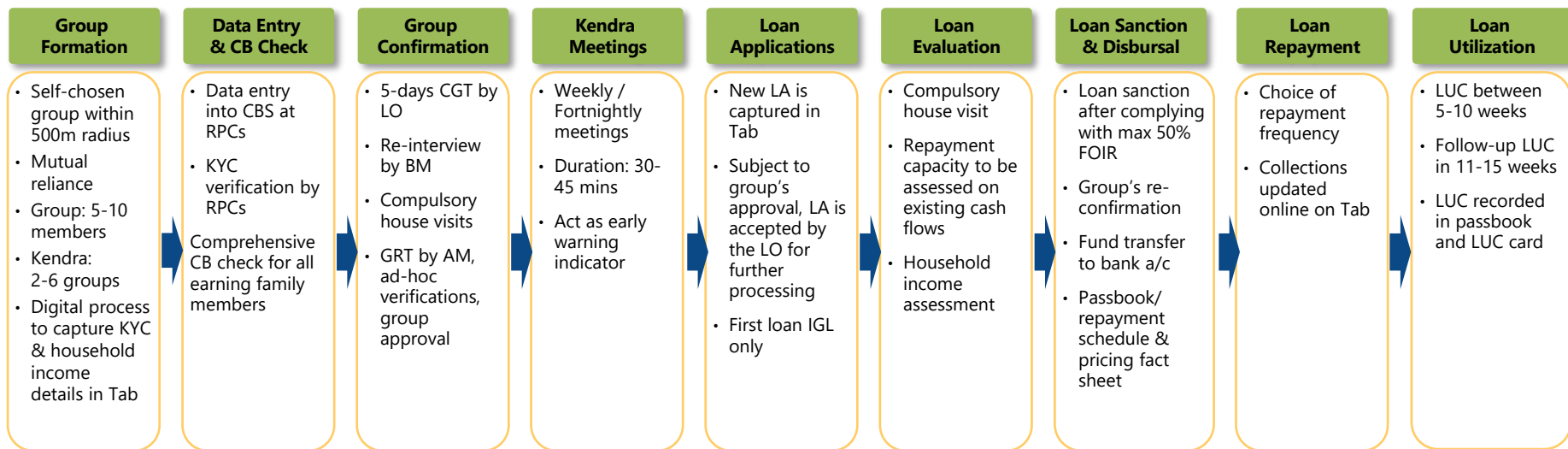
JLG Benefits:

- ✓ Strong group bonding
- ✓ Mutual support – both financial & emotional
- ✓ Guidance & grievance resolution
- ✓ Building awareness
- ✓ High quality customer – good behaviour & strong credit discipline

**Fully aligned with new harmonized guidelines in terms of -**

- ✓ Formulation of Board approved policies
- ✓ Process modifications
- ✓ Underwriting changes
- ✓ Technology changes in Core Banking System
- ✓ Training to all the employees

## JLG Mechanism allows Multiple Layers of Checks before and after disbursement of loan



Note: CB: Credit Bureau, CBS: Core Banking System, RPC: Regional Processing Center, CGT: Compulsory Group Training, LO: Loan Officer, BM: Branch Manager, AM: Area Manager, LA: Loan Application, LUC: Loan Utilization Check

**“One of the Lowest Cost Organised Financer” - One Stop Shop providing Support to Various Lifecycle Needs of the Customer**

✓ **One of the lowest lending rates in MFI industry**

✓ **Diverse product suite:**

- Income generation, education, festival, medical, emergency, water, sanitation, home improvement, livelihood improvement, business expansion

✓ **Loan size flexibility:**

- Ability to borrow as required within assigned credit limit
- Ability to avail multiple loans with flexible size

✓ **Repayment flexibility:**

- Weekly/ bi-weekly/ monthly repayment options
- Ability to choose repayment frequency based on cash flow cycle
- No pre-payment penalty

Loan Type	Customer Centric Products	Purpose	Ticket Size (INR)	Tenure (months)
Group	Income Generation Loan (IGL)	Business Investments and Income Enhancement activities	5,000 - 1,00,000	12 – 36
Group	Home Improvement Loan	Water Connections, Sanitation and Home Improvement & Extensions	5,000 - 50,000	12 – 36
Group	Family Welfare Loan	Festival, Medical, Education and Livelihood Improvement	Up to 20,000	3 – 12
Group	Emergency Loan	Emergencies	1,000	3
Retail Finance	Retail Finance Loan	Purchase of inventory, machine, assets or for making capital investment in business or business expansion	Up to 20,00,000	6 – 180



# Calibrated Expansion Through Contiguous District-Based Approach



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



Ensures consistent replication of processes/ controls



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



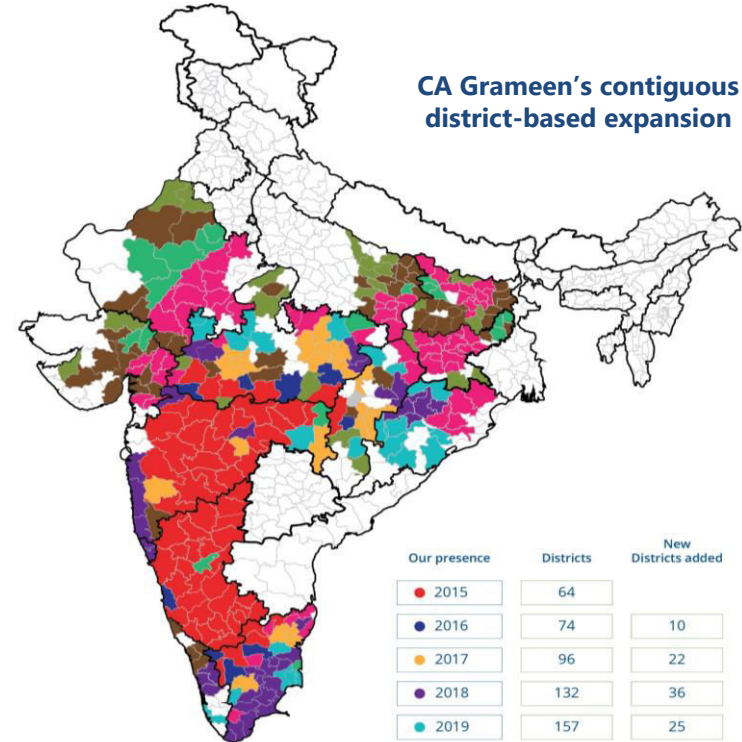
Achieving deeper penetration within a particular district within three years of commencement of operations



Gradual expansion into the next (typically adjoining) district

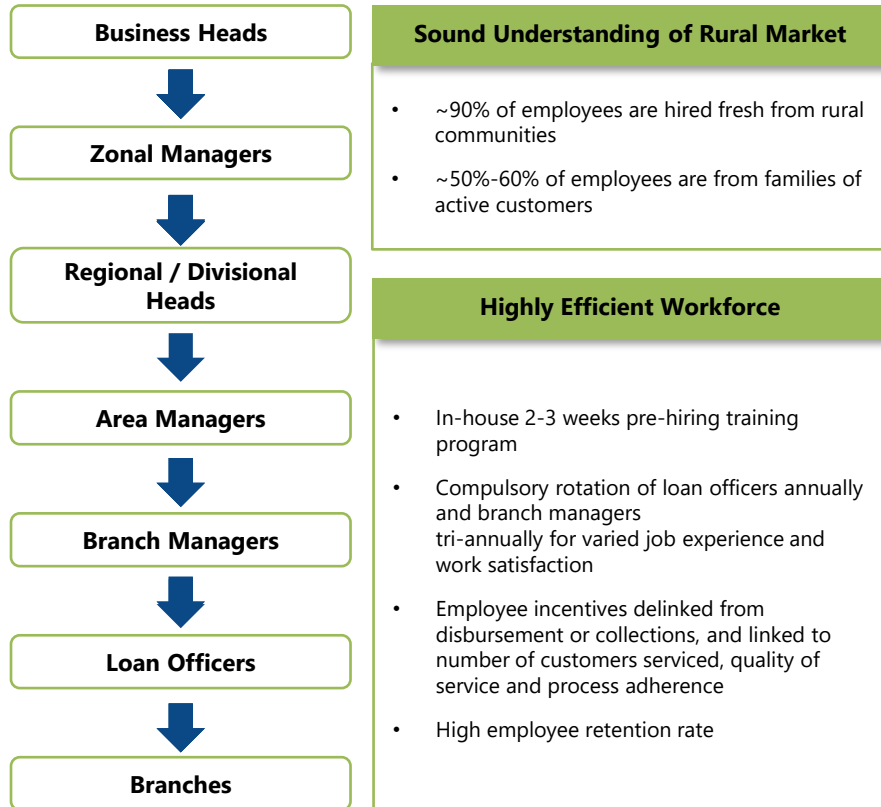


Lower exposure to a particular district (99% of districts  $\leq$  2% of GLP, No single district has  $>$  4% of total GLP)



	Our presence	Districts	New Districts added
● 2015		64	
● 2016		74	10
● 2017		96	22
● 2018		132	36
● 2019		157	25
● 2020		230	73
● 2021		247	17
● 2022		301	54
● 9M 2023		327	26

## Well-Established Operational Structure



## Multi-Pronged Approach For Risk Management

- 

**Internal Audit (IA):**

  - IA frequency – 6 times in a year at branches, 4 times at RO, 4 times at HO
  - The entire audit process is automated enabling real-time data analytics
  - The Audit Committee of our Board is updated every quarter on significant internal audit observations, compliances, risk management practices and control systems
  
- 

**Quality Control (Business Support):**

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

**Field Risk Control (FRC):**

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

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



### High touch-high tech delivery model:

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

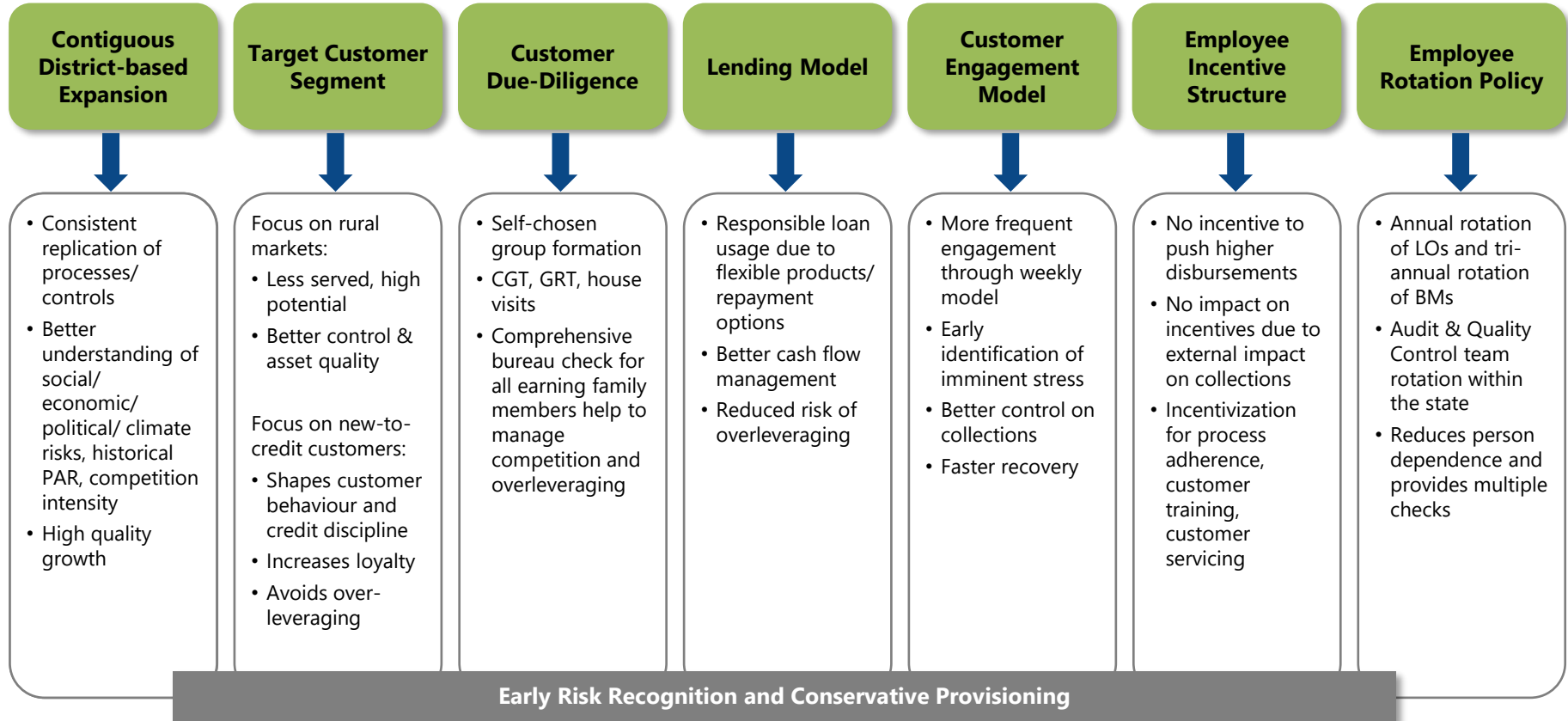


### Future Upgrades & Investments

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



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





## Committed to Micro Finance Business

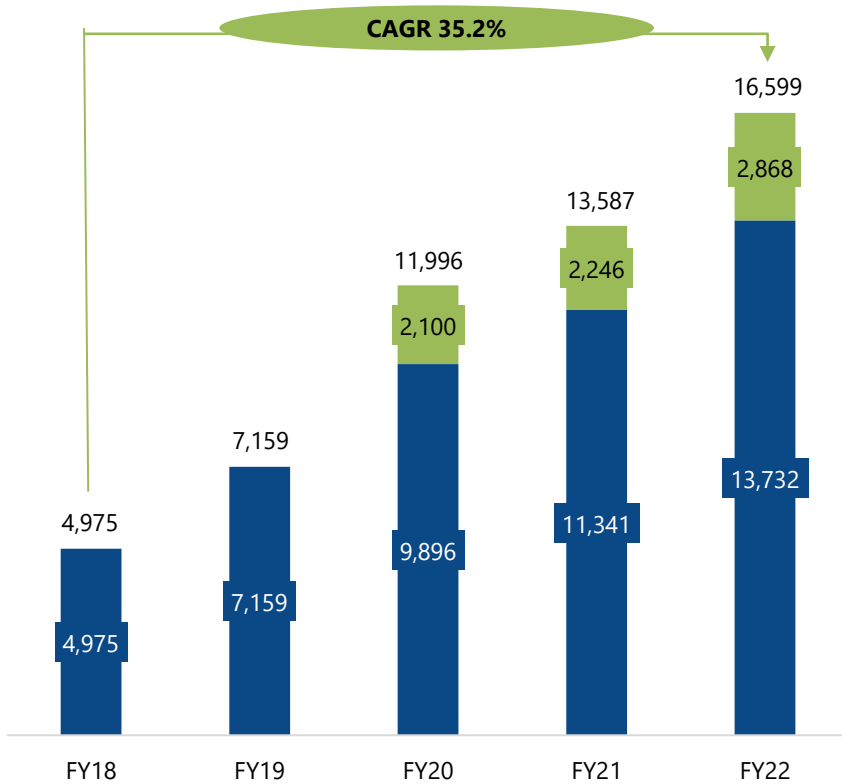
- CreditAccess India B.V. (CAI) specialises in Micro and Small Enterprises financing
- Widely held shareholding base: 252 shareholders
- Olympus ACF Pte Ltd. 15.4%, Asian Development Bank 8.8%, Asia Impact Invest SA 8.8%, individuals/HNIs/Family Offices 67.1%
- Headquartered in Amsterdam, The Netherlands

## Strong Financial Support

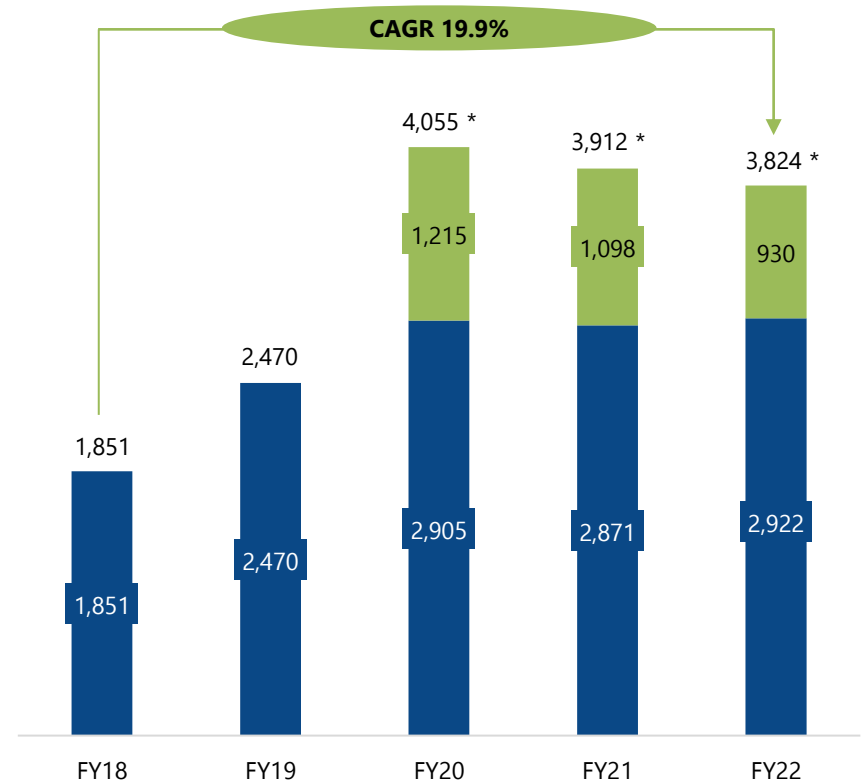
- Invested through multiple rounds of capital funding along with secondary purchases during 2009 to 2017
- Displayed trust in our business model post demonetisation by infusing INR 550 Cr in FY17
- Provides access to global fundraising opportunities leveraging CAI's network and relationships
- Holds 73.71% in CA Grameen, committed to holding up to the regulatory requirement in future

# Past Five Years Performance Track Record (1/3)

**Gross Loan Portfolio (GLP) (INR Cr)**



**Active Borrowers ('000)**



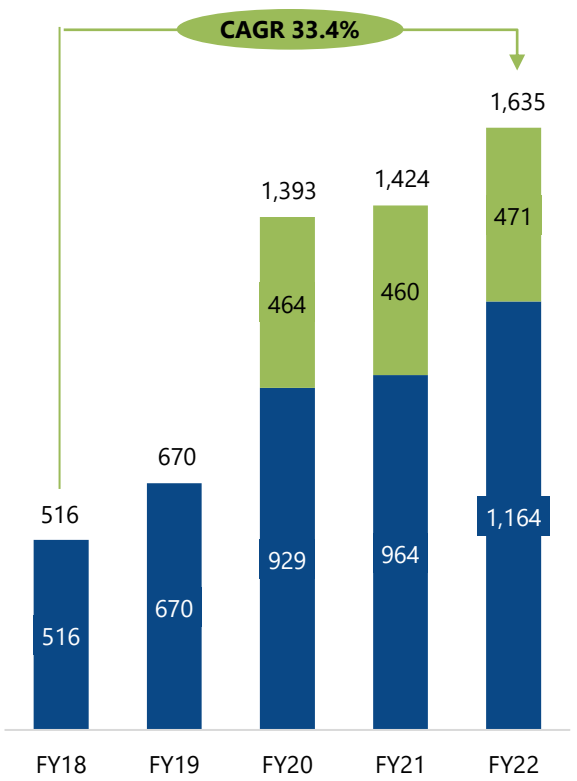
\* Excluding Common Borrowers

■ CA Grameen    ■ MMFL

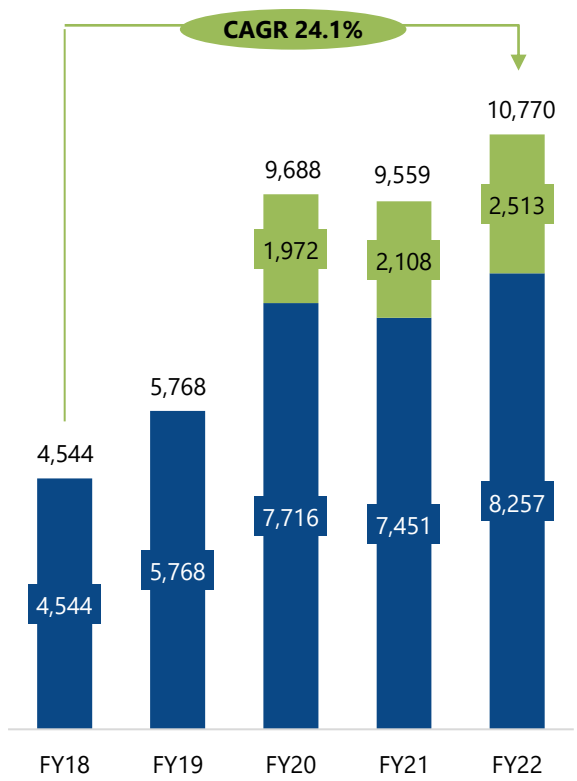
# Past Five Years Performance Track Record (2/3)



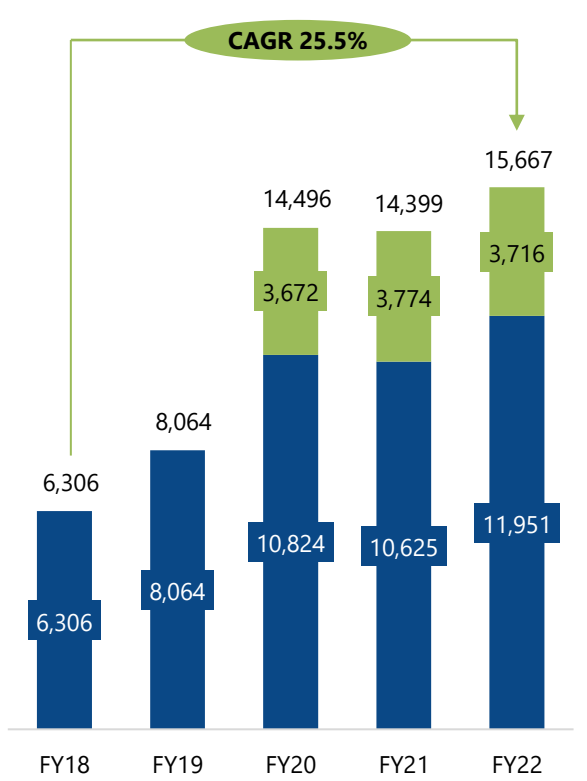
**Branch Network**



**Loan Officers**



**Employees**

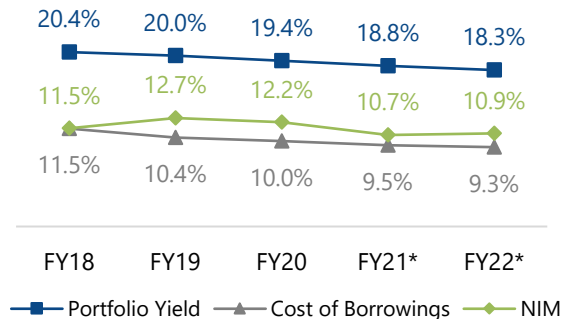


■ CA Grameen    ■ MMFL

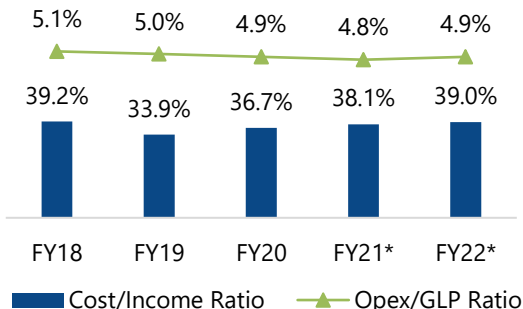
# Past Five Years Performance Track Record (3/3)

Note: Refer Annexure for definition of key ratios

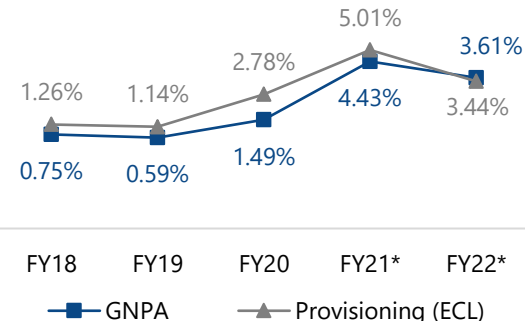
## Margin Analysis (%)



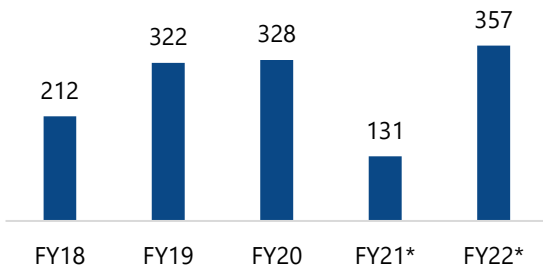
## Operating Efficiency (%)



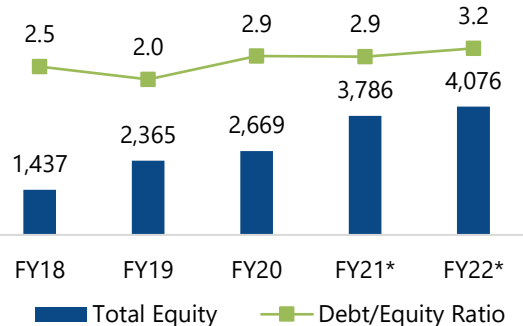
## Asset Quality (%)



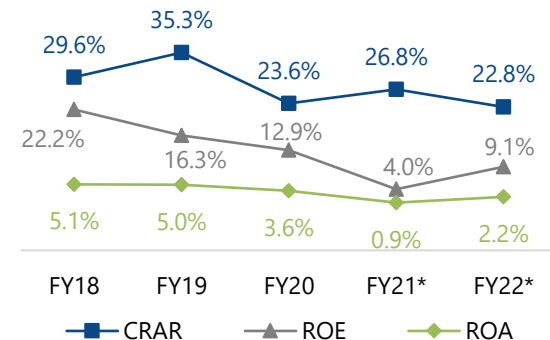
## PAT (INR Cr)



## Total Equity (INR Cr) & Debt/Equity Ratio



## Return Ratios & Capital Adequacy (%)



\*Consolidated Figures

Key Business Updates

Consolidated Results Overview

CA Grameen: Financial & Operational Metrics

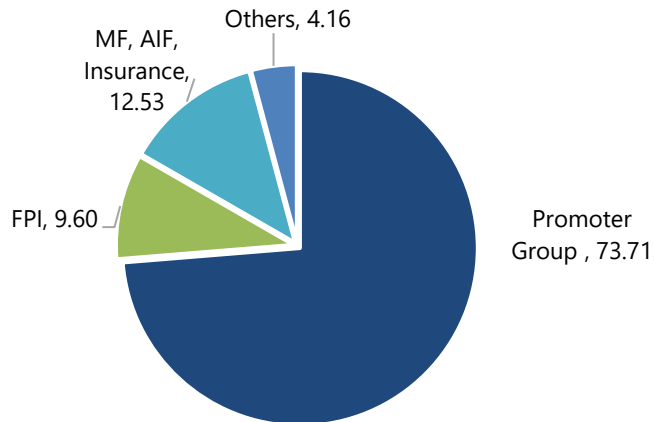
MMFL: Financial & Operational Metrics

Investment Rationale

**Annexure**



## Shareholding Pattern – December 2022



## Top 10 Institutional Investors – December 2022

**Eastspring Investments**

**Edelweiss Mutual Fund**

**Government Pension Fund Global**

**ICICI Prudential Life Insurance**

**Nippon Mutual Fund**

**SBI Mutual Fund**

**T Rowe Price**

**Tata AIA Life Insurance**

**UTI Mutual Fund**

**Vanguard**

1. Portfolio Yield = (Interest on loans – processing fees + Income from securitisation)/ Avg. quarterly on-book loans
2. Cost of Borrowings / Weighted Avg. COB = (Borrowing cost – finance lease charges) / Daily average borrowings
3. Marginal COB = (Borrowings availed during the period \* interest rate + processing fees and other charges) / Borrowings availed during the period
4. NIM = (NII – processing fees, interest on deposits, income from direct assignment + finance lease charges) / Avg. quarterly on-book loans
5. Cost/Income Ratio = Operating cost / Total Net Income
6. Opex/GLP Ratio = Operating cost / Avg. quarterly GLP
7. ROA = PAT/Avg. Quarterly Total Assets (including direct assignment) (Annualized), ROE = PAT/Avg. Quarterly Total Equity (Annualized)
8. Debt = Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities
9. GNPA = Stage III exposure at default / (Sum of exposure at default of Stage I + Stage II + Stage III)
10. NNPA = (Stage III exposure at default – Stage III ECL) / (Sum of exposure at default of Stage I + Stage II + Stage III – Stage III ECL)





## For Further Queries:

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