

Ref: CAGL/EQ/2023-24/97

October 20, 2023

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001
Scrip code: 541770

National Stock Exchange of India Limited
Exchange Plaza, C_1, Block G
Bandra Kurla Complex Bandra (East),
Mumbai - 400051
Symbol: CREDITACC

Dear Sir/Madam,

Sub.: Investor Presentation

Pursuant to Regulation 30 and 46(2)(o) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Investor Presentation for the quarter and half year ended September 30, 2023. The same is also available on the website of the company at www.creditaccessgrameen.in

We request you to 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



Forging a Path
Towards a
Stronger Future

CreditAccess Grameen Limited

Q2 & H1 FY24 Investor Presentation

October 2023



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Key Business Updates

Financial Results Overview

Investment Rationale



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

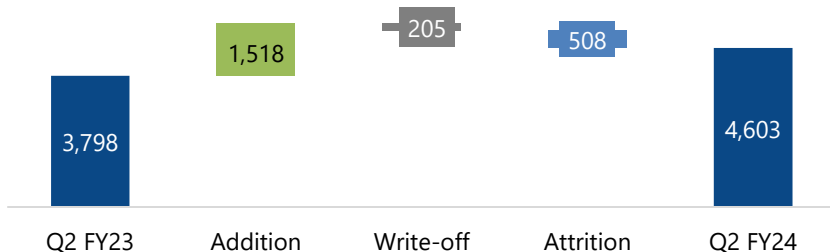
	Q2 FY24	YoY%	QoQ%
GLP (INR Cr)	22,488	+36.0%	+3.1%
Borrowers (Lakh)	46.03	+21.2%	+4.1%
Disbursements (INR Cr)	4,966	+13.5%	+4.1%
NII (INR Cr)	772	+49.6%	+1.1%
PPOP (INR Cr)	563	+68.3%	+3.5%
PAT (INR Cr)	347	+98.1%	-0.4%
NIM %	13.1%	+111 bps	+12 bps
ROA %	5.6%	+170 bps	-23 bps
ROE %	24.7%	+897 bps	-172 bps
Collections Efficiency (Excl. Arrears) %			98.7%
GNPA (largely @ 60+ dpd) %			0.77%
ECL Provisioning %			1.60%
NNPA %			0.24%
PAR 90+ %			0.60%
CRAR %		25.0% (Tier 1: 24.1%)	

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

Customer Growth Led By Robust Additions & High Retention

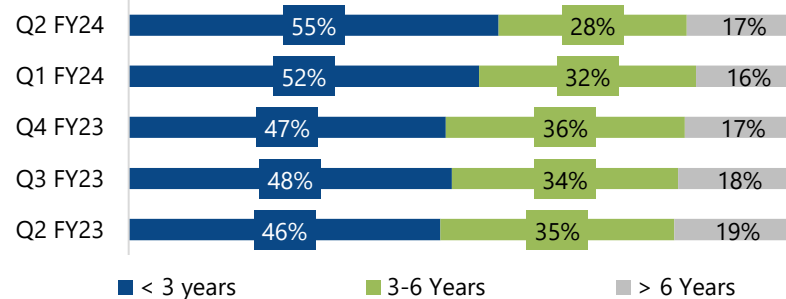
Robust Borrower Additions

Borrowers ('000)



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

Borrower Vintage



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

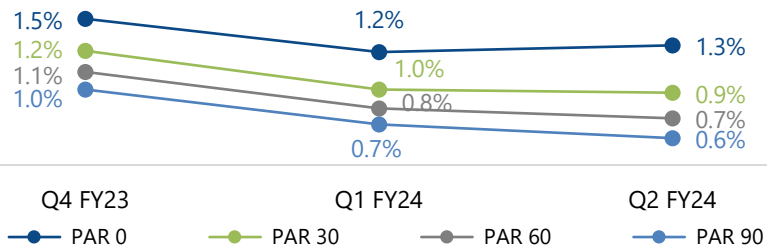
Focus on 3-Year Loans for High Vintage Borrowers

Loan Tenure	Avg. Weekly Installment per INR 10,000 loan
1 Year	INR 217 – 219
2 Years	INR 118 – 120
3 years	INR 86 - 88

- Loans with Ticket Size \geq INR 75,000 are offered for 3-years
- 3-years loans: **29.4% of GLP**

Best-In-Class Asset Quality

PAR Trend



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

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

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

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

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

Comfortably Placed to Maintain Healthy NIMs

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

Performance Vs. Annual Guidance

Key Indicators	FY24 Guidance	H1 FY24 Performance	Reasons For Outperformance	Revised FY24 Guidance
GLP Growth %	24.0% - 25.0%	36.0%	<ul style="list-style-type: none"> YoY growth is higher on a low base of H1 FY23 	24.0% - 25.0%
NIM %	12.0% - 12.2%	13.1%	<ul style="list-style-type: none"> Superior asset quality leading to minimal interest reversals Strong control over the cost of borrowing Higher share of portfolio growth funded through internal accruals (CRAR: 25%) 	12.7% - 12.8%
Cost-to-Income Ratio %	35.0% - 36.0%	31.3%	<ul style="list-style-type: none"> Improved total income profile 	31.0% - 33.0%
Credit Cost (Provisions + Write-offs) – % of Avg. On-Book Loan Portfolio (non annualized)	1.6% - 1.8%	0.8%	<ul style="list-style-type: none"> Healthy asset quality 	1.6% - 1.8%
Return on Assets %	4.7% - 4.9%	5.7%	<ul style="list-style-type: none"> More balanced growth across all quarters Improved total income profile Robust CRAR 	5.4% - 5.6%
Return on Equity %	20.0% - 21.0%	25.5%	<ul style="list-style-type: none"> Improved overall profitability 	24.0% - 25.0%

Key Business Updates

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Q2 FY24: Key Performance Highlights

GLP
INR 22,488 Cr
(+36.0% YoY)

Disbursements
INR 4,966 Cr
(+13.5% YoY)

NIM
13.1%
Wtd. Avg. COB
9.8%

Cost/Income Ratio
31.7%
Opex/GLP Ratio
4.7%

PPOP
INR 563 Cr
(+68.3% YoY)

PAT
INR 347 Cr
(+98.1% YoY)

ROA
5.6%

ROE
24.7%

CRAR Total
25.0%

CRAR Tier 1
24.1%

Total Equity
INR 5,798 Cr

D/E Ratio
3.0

GNPA: 0.77%

NNPA: 0.24%

PAR 90+: 0.60%

Collection Efficiency
(Excl. Arrears)
98.7%

Provisioning:
1.60%

Write-off
INR 76 Cr

Branches
1,877
(+11.5% YoY)

Employees
19,241
(+20.1% YoY)

Active Borrowers
46.03 Lakh
(+21.2% YoY)

H1 FY24: Key Performance Highlights

GLP
INR 22,488 Cr
(+36.0% YoY)

Disbursements
INR 9,737 Cr
(+49.3% YoY)

NIM
13.1%
Wtd. Avg. COB
9.7%

Cost/Income Ratio
31.3%
Opex/GLP Ratio
4.6%

PPOP
INR 1,106 Cr
(+77.3% YoY)

PAT
INR 696 Cr
(+121.7% YoY)

ROA
5.7%

ROE
25.5%

CRAR Total
25.0%

CRAR Tier 1
24.1%

Total Equity
INR 5,798 Cr

D/E Ratio
3.0

GNPA: 0.77%

NNPA: 0.24%

PAR 90+: 0.60%

Collection Efficiency
(Excl. Arrears)
98.7%

Provisioning:
1.60%

Write-off
INR 177 Cr

Branches
1,877
(+11.5% YoY)

Employees
19,241
(+20.1% YoY)

Active Borrowers
46.03 Lakh
(+21.2% YoY)

Q2 & H1 FY24: P&L Statement

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

1) Interest income (on Stage 3 portfolio) de-recognized was INR 12.7 Cr in Q2 FY24 vs. 14.8 Cr in Q1 FY24 and INR 20.5 Cr in Q2 FY23

2) Bad debt recovery was INR 11.7 Cr in Q2 FY24 vs 12.0 Cr in Q1 FY24 and INR 14.5 Cr in Q2 FY23

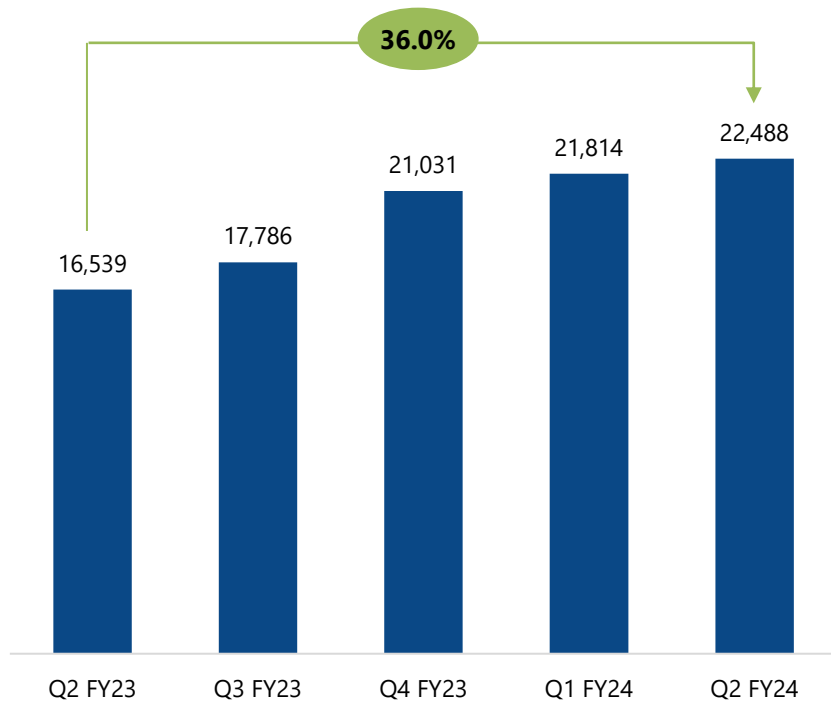
3) Insurance distribution income was INR 30.0 Cr in Q2 FY24 vs INR 5.9 Cr in Q1 FY24 and INR 3.9 Cr in Q2 FY23

Q2 & H1 FY24: Balance Sheet

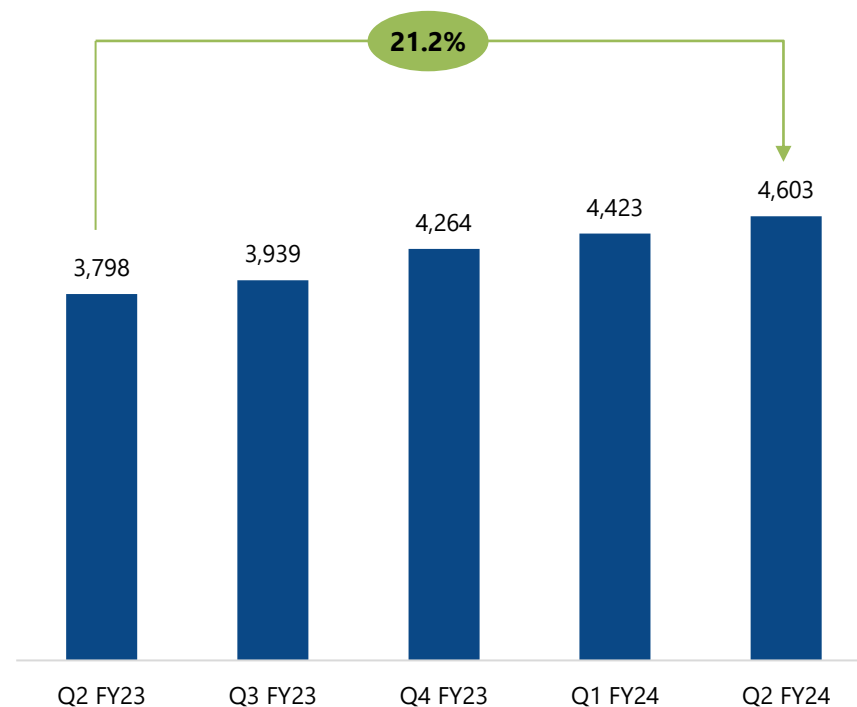
Balance Sheet (INR Cr)	Q2 FY24	Q2 FY23	YoY%	Q1 FY24	QoQ%	H1 FY24	H1 FY23	FY23
Cash & Other Bank Balances	1,408.3	757.1	86.0%	1,303.3	8.1%	1,408.3	757.1	1,436.4
Investments	740.5	389.7	90.0%	731.2	1.3%	740.5	389.7	454.5
Loans - (Net of Impairment Loss Allowance)	20,880.1	15,195.9	37.4%	19,820.2	5.3%	20,880.1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

Continued Business Traction with Rural Focus

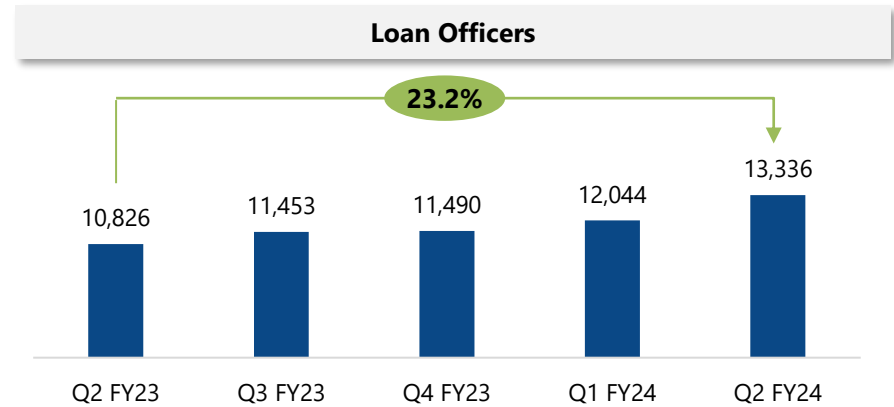
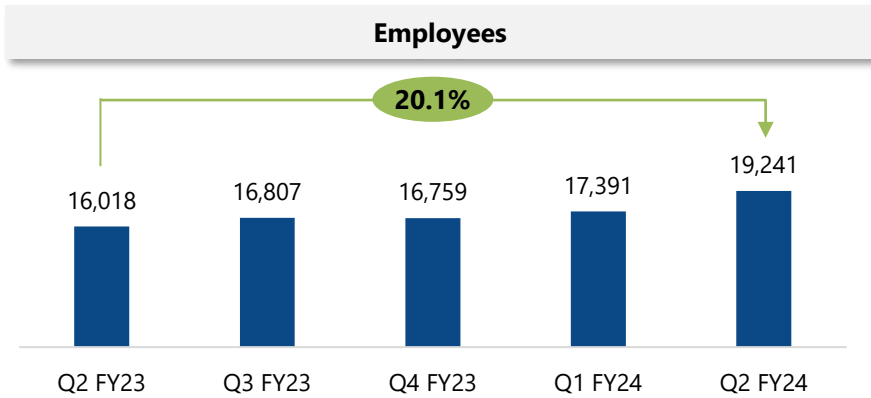
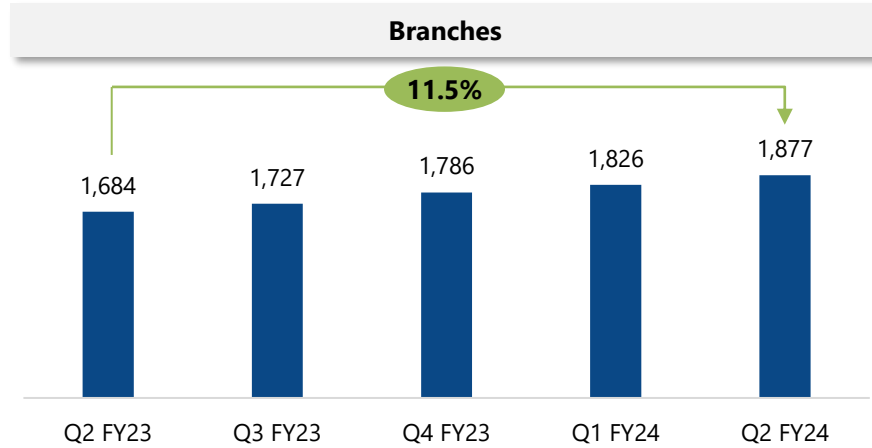
Gross Loan Portfolio (INR Cr)



Borrowers ('000)

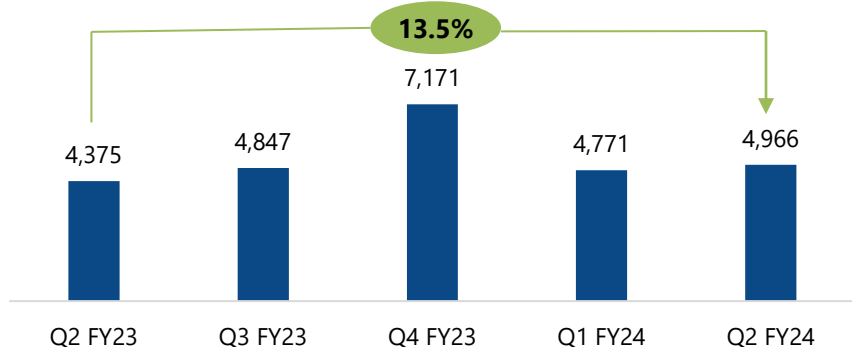


Consistent Growth in Infrastructure

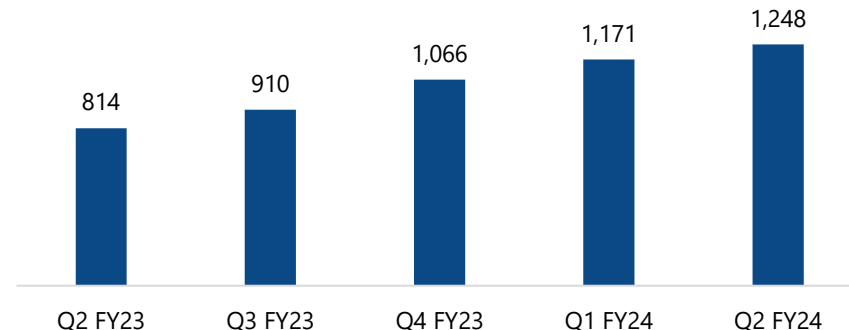


Robust Quarterly Performance Trend (1/2)

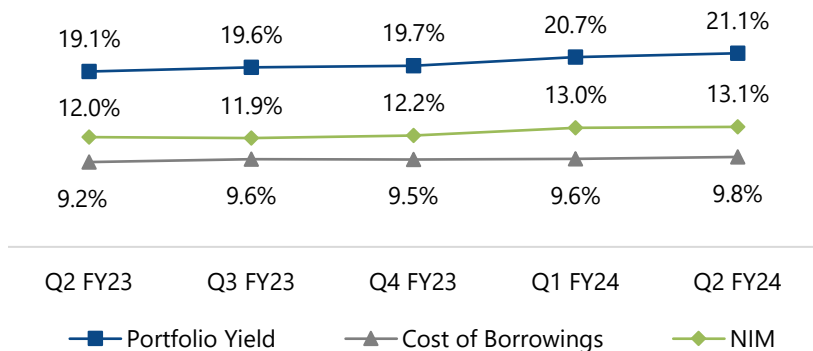
Disbursements (INR Cr)



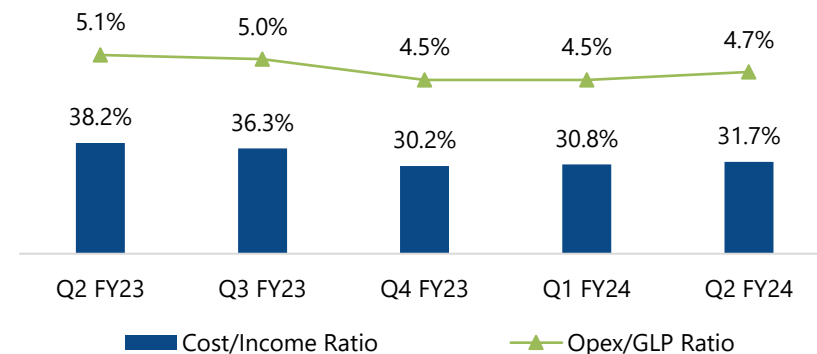
Total Income (INR Cr)



Margin Analysis (%)

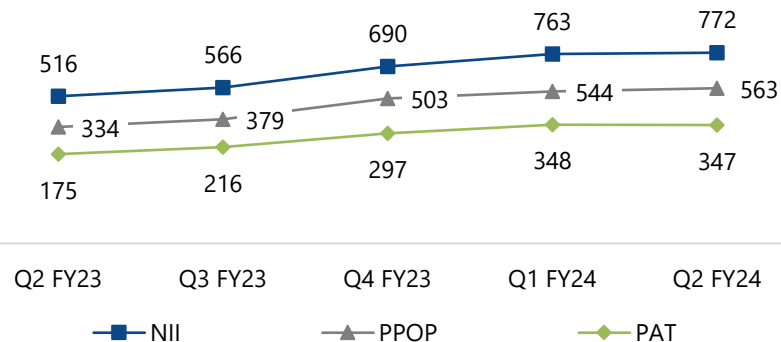


Operating Efficiency (%)

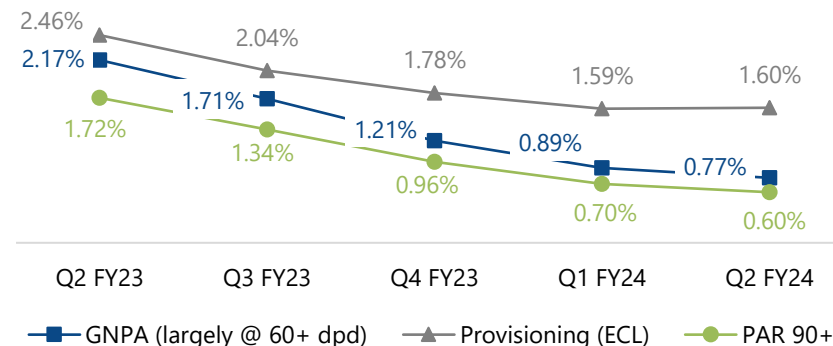


Robust Quarterly Performance Trend (2/2)

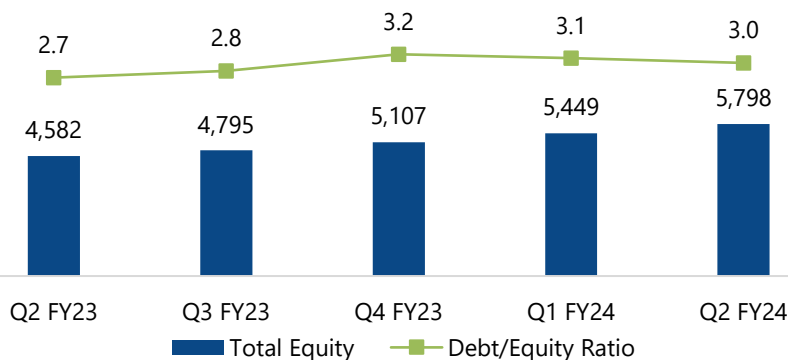
NII, PPOP, PAT (INR Cr)



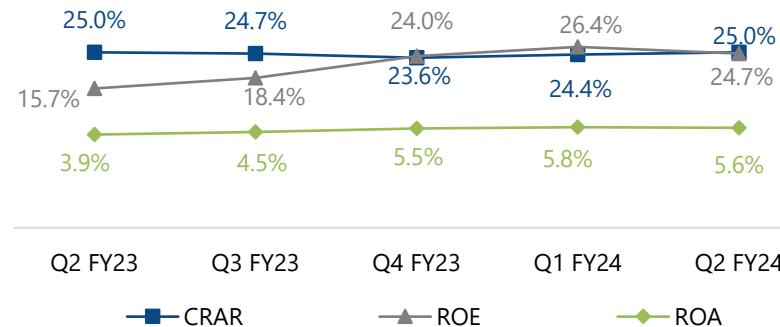
Asset Quality (%)



Total Equity (INR Cr) & Debt/Equity Ratio

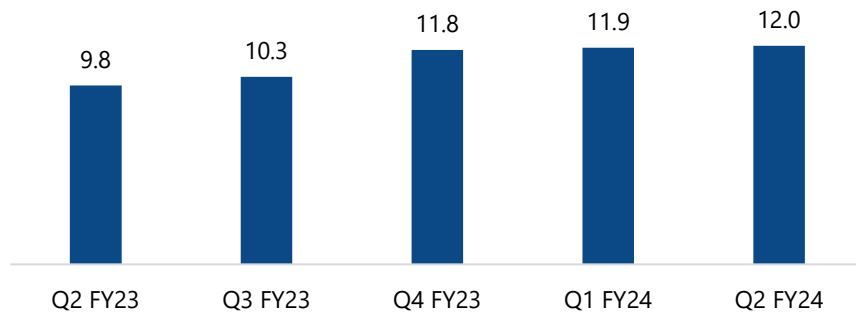


Return Ratios & Capital Adequacy (%)

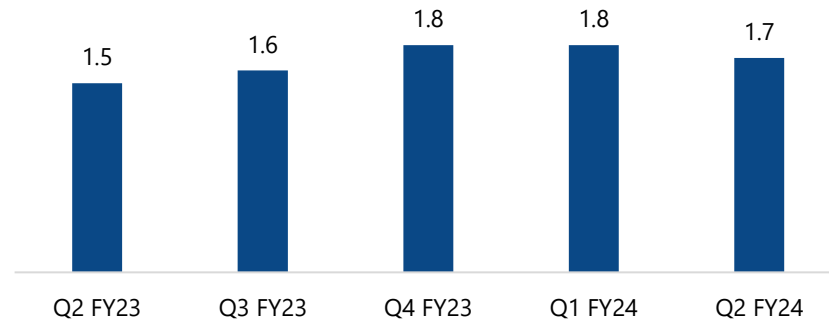


Stable Operational Efficiency

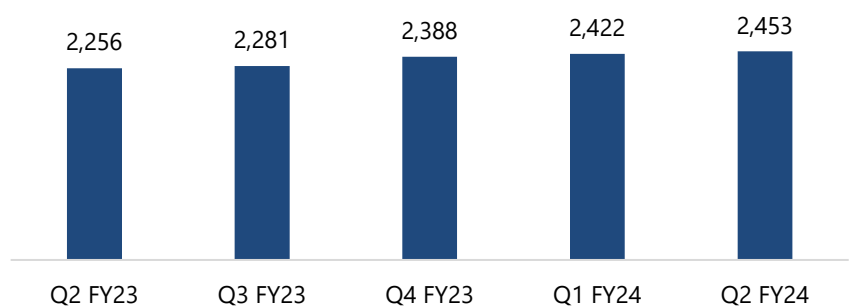
GLP / Branch (INR Cr)



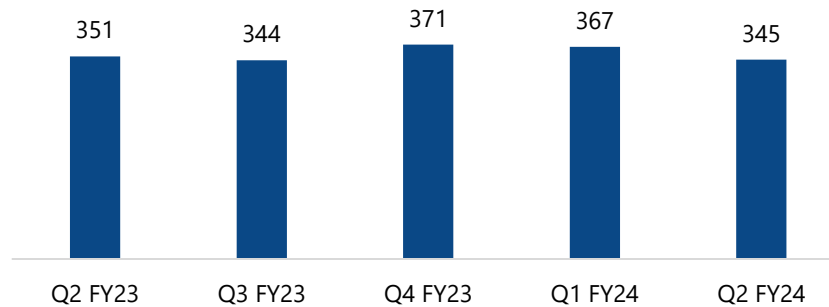
GLP / Loan Officer (INR Cr)



Borrowers / Branch



Borrowers / Loan Officer



Product Range To Meet Diverse Customer Needs

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

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

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

Well-Diversified Presence Across India

Our Presence as on Sep-23

16 States & 1 UT
364 Districts
1,877 Branches

Rajasthan
102

Gujarat
68

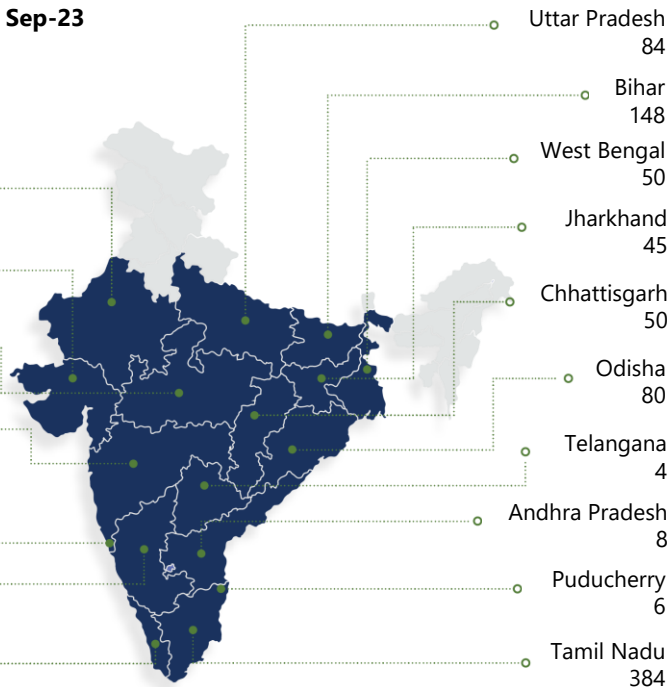
Madhya Pradesh
149

Maharashtra
310

Goa
2

Karnataka
334

Kerala
53



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

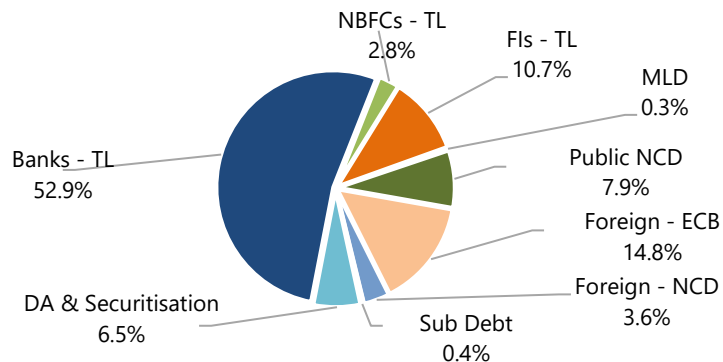
Borrowers ('000)	Q2 FY24	% Share	Q2 FY23	% Share
Karnataka	1,184	25.7%	1,047	27.6%
Maharashtra	897	19.5%	771	20.3%
Tamil Nadu	959	20.8%	853	22.5%
Madhya Pradesh	340	7.4%	307	8.1%
Other States & UT	1,223	26.6%	821	21.6%
Total	4,603	100.0%	3,798	100.0%

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

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

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

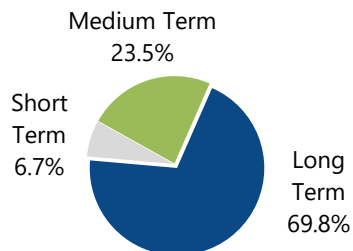
Liability Mix - Institution / Instrument Wise (%)



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

Share of Foreign Borrowings at 18.4%

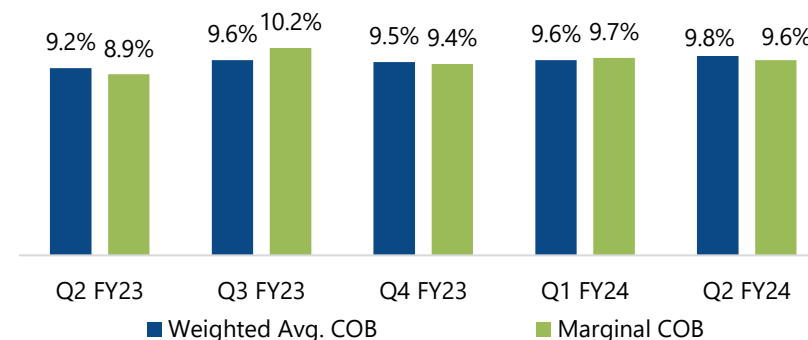
Liability Mix - Tenure Wise (%)



Focus on dynamic liability management

- Focus on long-term funding with strong diversification between domestic & foreign sources
- Target to meet funding requirements through foreign/long-term sources over the medium term, with diversified products
- Diverse lenders' base:
 - 46 Commercial Banks, 3 Financial Institutions, 16 Foreign Lenders, 6 NBFCs
- Continued focus to minimize the cost of borrowing

Cost of Borrowing (%)

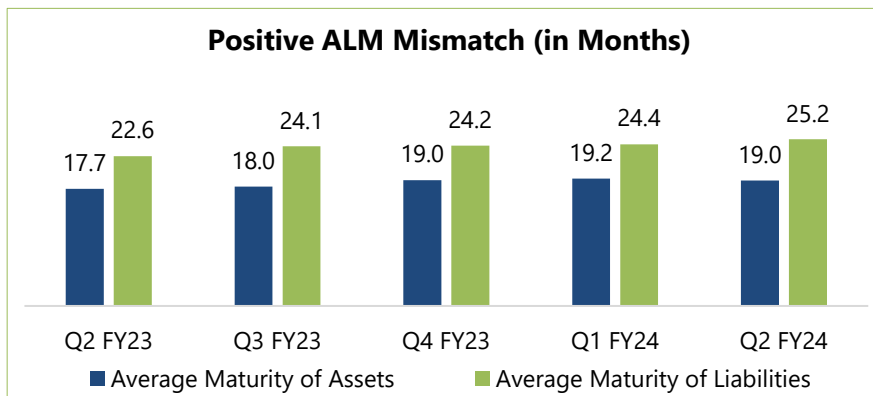


Stable Liquidity/ ALM Position/ Credit Ratings

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

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

* Includes Direct Assignment of INR 91.5 Cr



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

* Institutional Grading/Code of Conduct Assessment (COCA)

Key Business Updates

Financial Results Overview

Investment Rationale



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

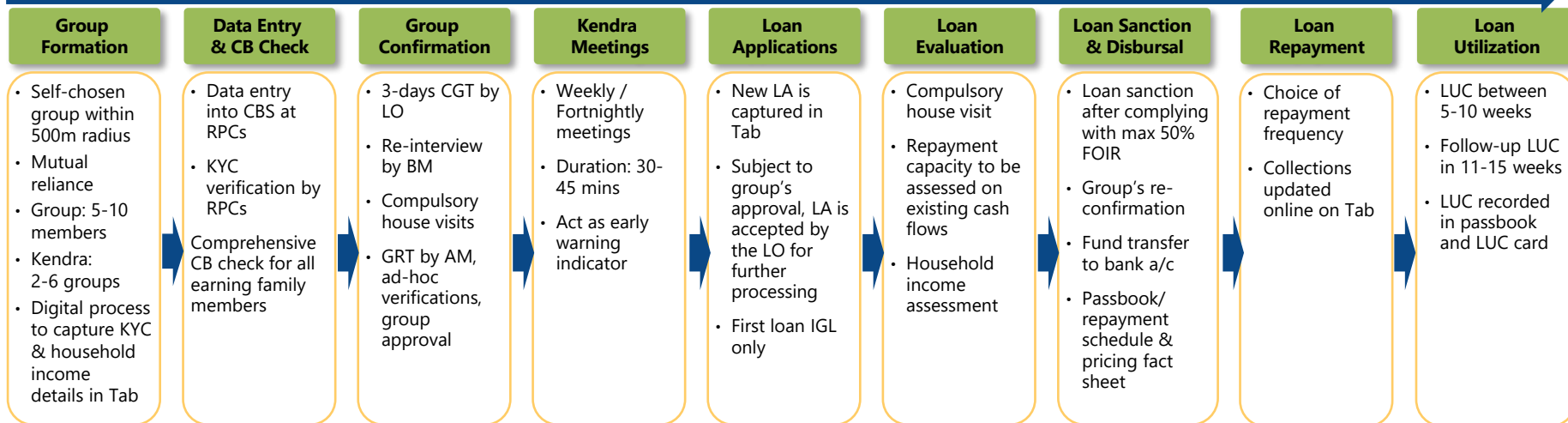
JLG Benefits:

- ✓ 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 the availability of infrastructure, competition, historical performance trend, social/ economic/ political/ climate risk, growth potential



Ensures consistent replication of processes/ controls



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



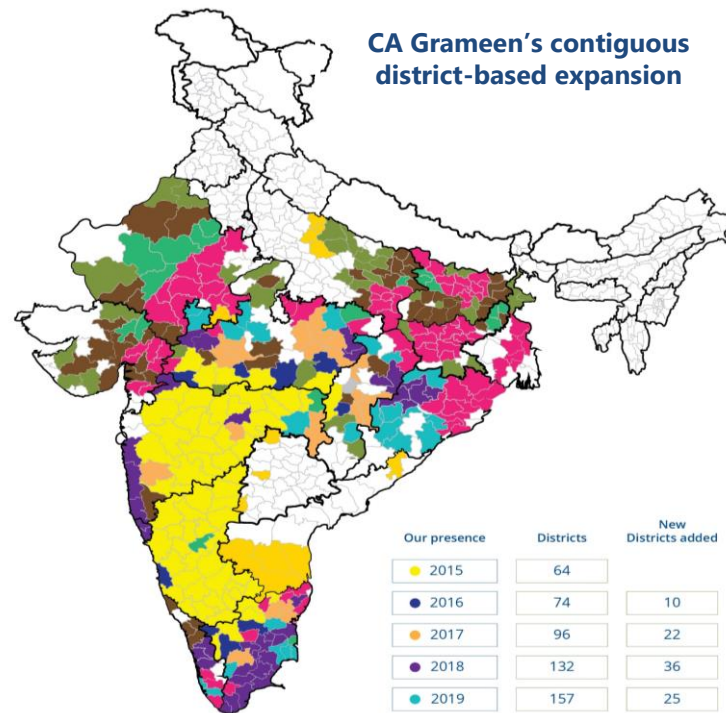
Achieving deeper penetration within a particular district within three years of commencement of operations



Gradual expansion into the next (typically adjoining) district

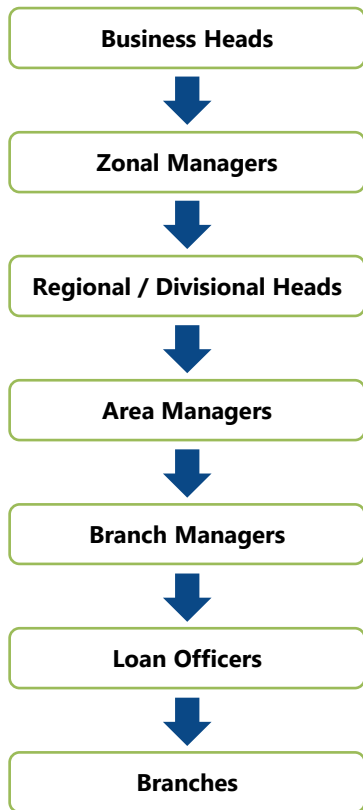


Lower exposure to a particular district (99% of districts \leq 2% of GLP, No single district has $>$ 3% of total GLP)



Our presence	Districts	New Districts added
● 2015	64	
● 2016	74	10
● 2017	96	22
● 2018	132	36
● 2019	157	25
● 2020	248	91
● 2021	265	17
● 2022	319	54
● 2023	352	33
● H1 2024	364	12

Well-Established Operational Structure



Sound Understanding of Rural Market

- ~90% of employees are hired fresh from rural communities
- ~50%-60% of employees are from families of active customers

Highly Efficient Workforce

- In-house 2-3 weeks pre-hiring training program
- Compulsory rotation of loan officers bi-annually and branch managers tri-annually for varied job experience and work satisfaction
- Employee incentives delinked from disbursement or collections, and linked to number of customers serviced, quality of service and process adherence
- High employee retention rate

Multi-Pronged Approach For Risk Management



Internal Audit (IA):

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



Quality Control (Business Support):

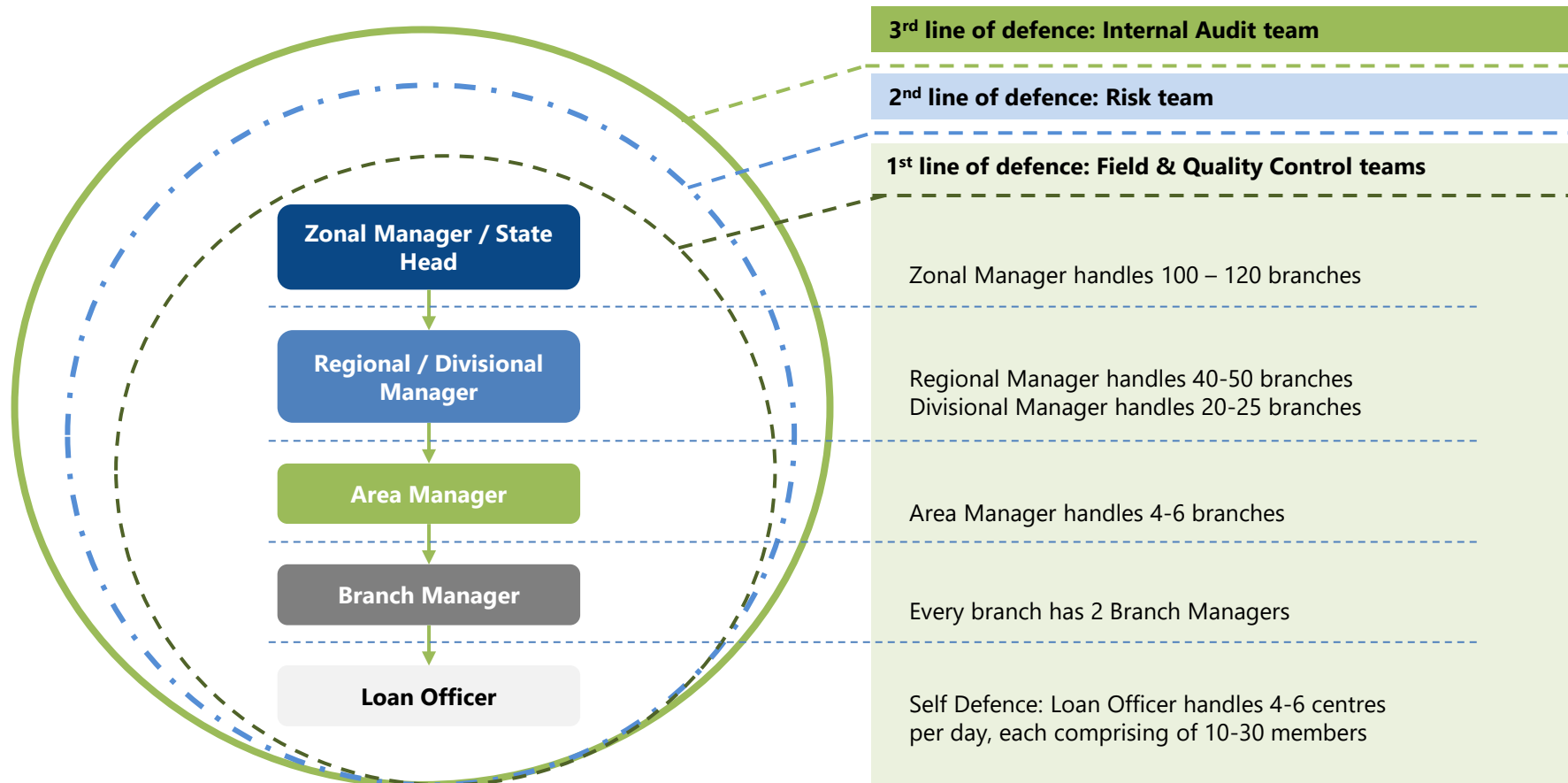
- Fort-nightly branch visits
- Complements internal audit function by early identification of operational risks
- Branch sanitization, fraud investigation, PAR investigation, support new business expansion



Field Risk Control (FRC):

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

Strong Internal Control Structure: Three Lines Of Defence



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



High touch-high tech delivery model:

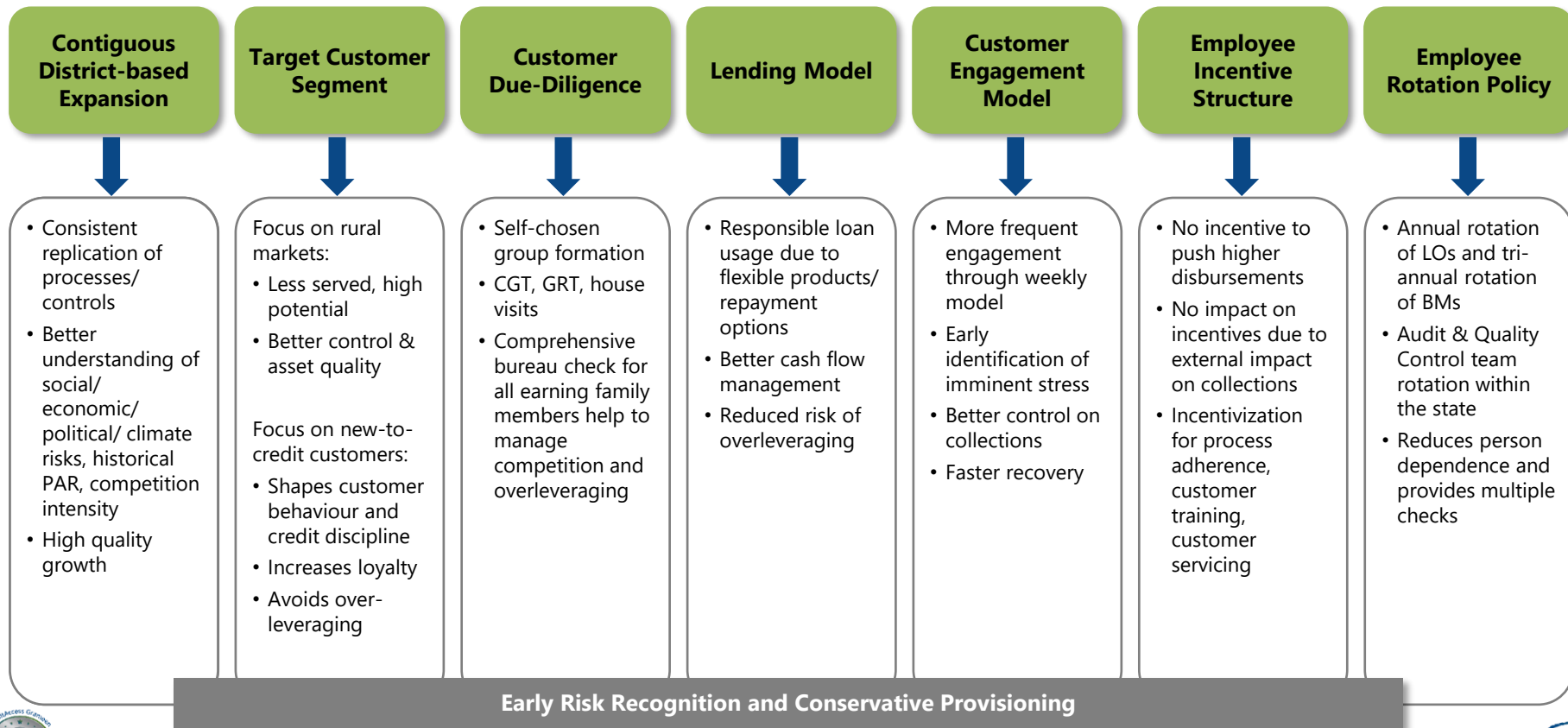
- Digitized all customer touchpoints
- Field staff equipped with handheld tabs for managing Kendra meetings & collections
- Automated/ paperless customer on-boarding, faster KYC, and CB checks
- Lower TAT, same day and on-field loan disbursements
- Geotagging of Kendra locations to optimize field visits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



Cross-Cycle ROA (%)

Strong Cross Cycle Performance Despite Several Crisis

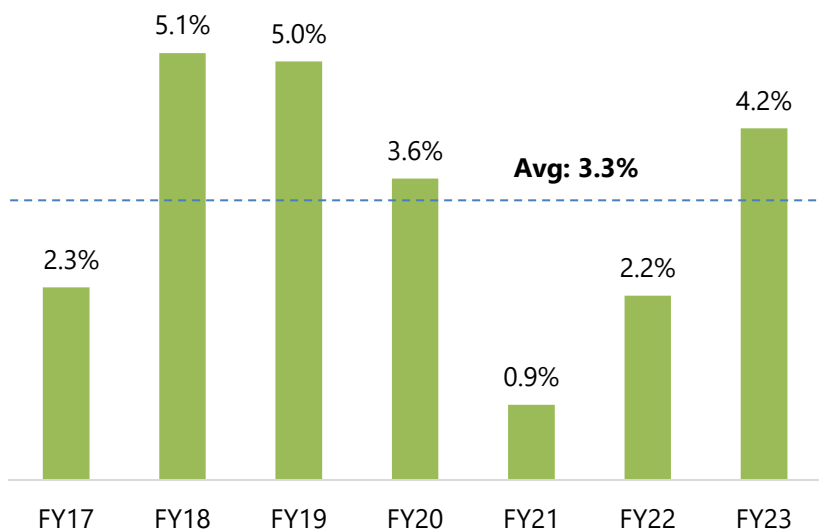
**FY17-FY18
Demonetisation**

**FY19
Floods,
NBFC crisis**

**FY21
Covid
Wave 1**

**FY22
Covid
Wave 2**

Avg: 3.3%

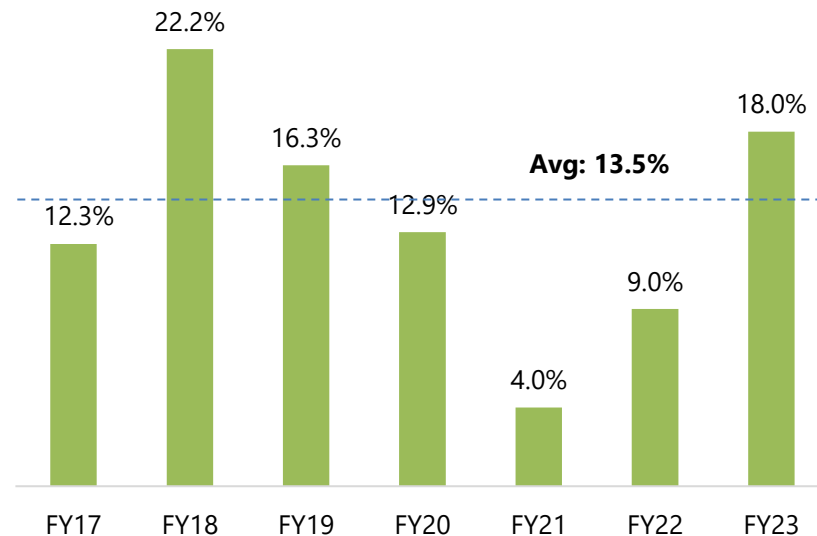


Cross-Cycle ROE (%)

22.2%

16.3%

Avg: 13.5%





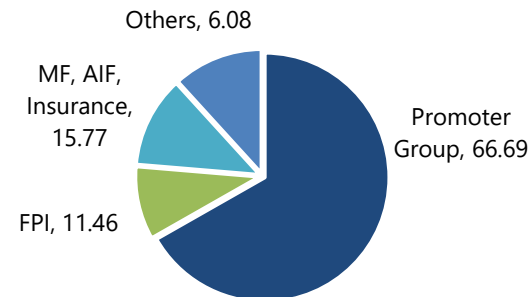
Committed to Micro Finance Business

- CreditAccess India B.V. (CAI) specialises in Micro & Small Enterprises financing
- Widely held shareholding base: 247 shareholders
- Olympus ACF Pte Ltd. 15.4%, Asian Development Bank 8.8%, Asia Impact Invest SA 8.8%, individuals/HNIs/Family Offices 67.0%
- Headquartered in Amsterdam, The Netherlands

Strong Financial Support via Patient Capital

- Invested through multiple rounds of capital funding along with secondary purchases during 2009 to 2017
- Displayed trust in our business model post Demonetisation by infusing INR 550 Cr in FY17
- Provides access to global fundraising opportunities leveraging CAI's network and relationships
- Holds 66.69% in CA Grameen, committed to holding up to the regulatory requirement in future

Shareholding Pattern – September 2023

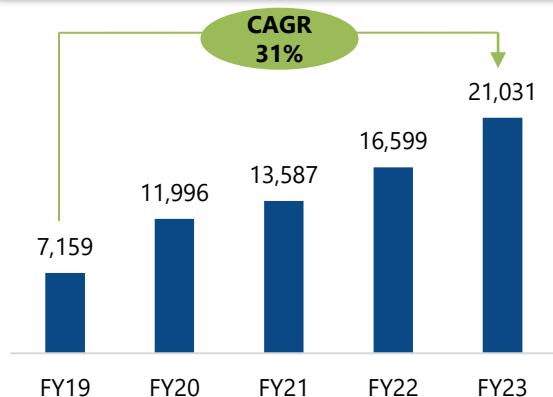


Top 10 Institutional Investors – September 2023

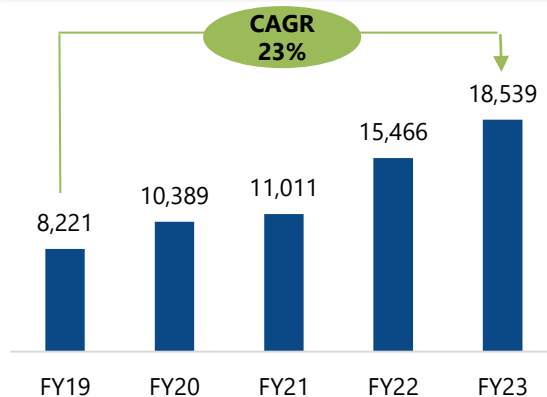
Axis Mutual Fund
Canara Robeco Mutual Fund
Government Pension Fund Global
ICICI Prudential Life Insurance
Invesco Mutual Fund
Nippon India Mutual Fund
PGIM India Mutual Fund
T Rowe Price
UTI Mutual Fund
Vanguard

Past Five Years Performance Track Record (1/2)

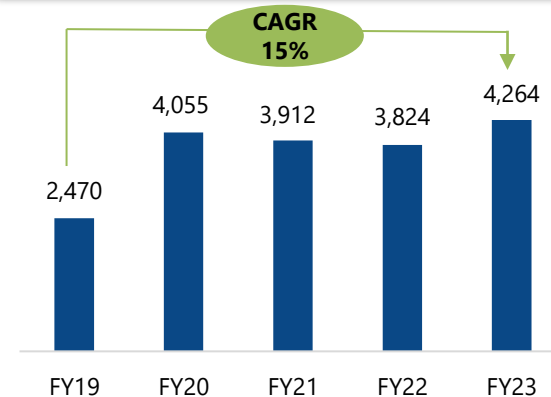
Gross Loan Portfolio (GLP) (INR Cr)



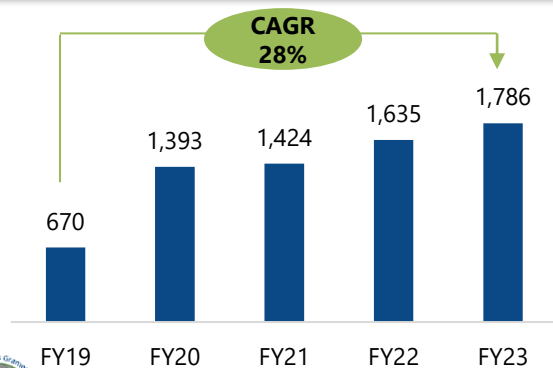
Disbursements



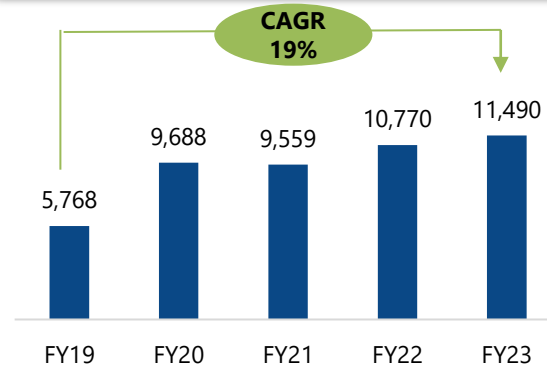
Active Borrowers ('000)



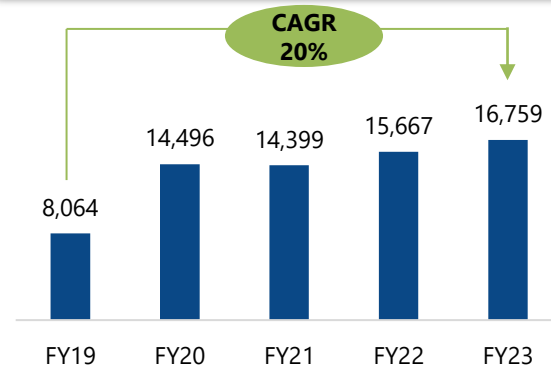
Branch Network



Loan Officers



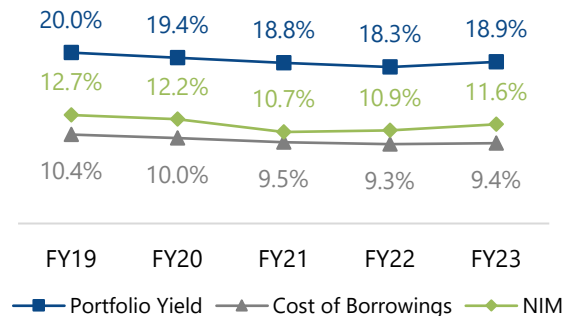
Employees



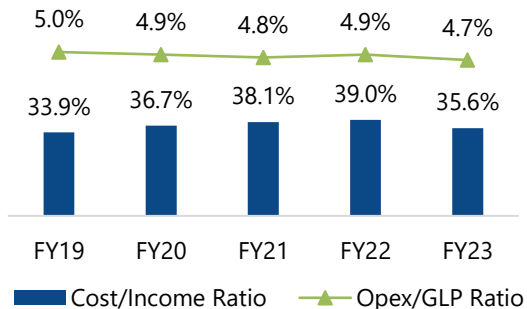
Past Five Years Performance Track Record (2/2)

Note: Refer Annexure for definition of key ratios

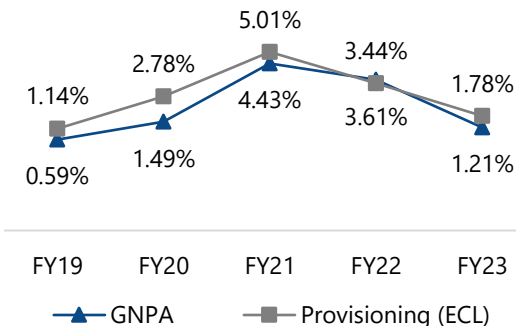
Margin Analysis (%)



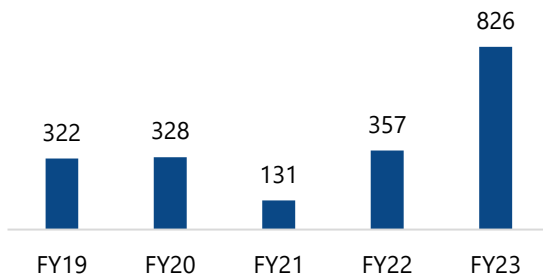
Operating Efficiency (%)



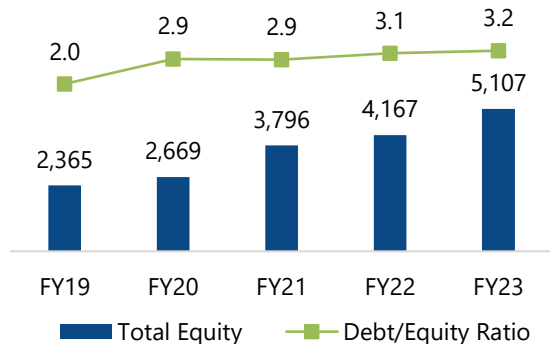
Asset Quality (%)



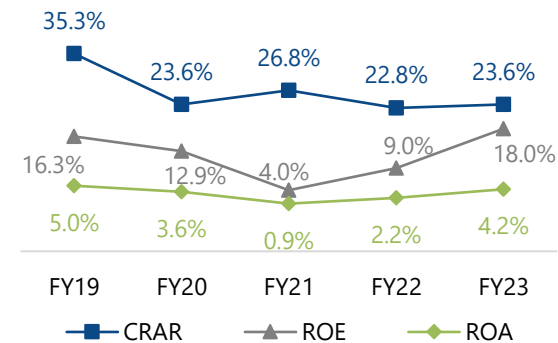
PAT (INR Cr)



Total Equity (INR Cr) & Debt/Equity Ratio



Return Ratios & Capital Adequacy (%)



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

www.creditaccessgrameen.in

Key Ratios: Definitions

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



For Further Queries:

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