CreditAccess Grameen Limited

Regd. & Corporate Office
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Phone: 080-22637300 | Fax: 080-26643433
Email: info@cagrameen.in
Website: www.creditaccessgrameen.in
CIN: L51216KA1991PLC053425

Ref: CAGL/EQ/2024-25/52

July 17, 2024

To

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

Dear Sir/Madam,

Sub.: Annual Report 2023-24.

In compliance with Regulation 34 and Regulation 53(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the Financial Year 2023-24.

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

Please take this intimation on record.

Thanking you,

Yours' Truly
For CreditAccess Grameen Limited

M J MAHADEV PRAKASH
Digitally signed by M J MAHADEV PRAKASH
Date: 2024.07.17 14:38:41 +05'30'

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

Encl.: As above

CreditAccess®
Grameen

CreditAccess Grameen
Since 1999
25
Years of Excellence & Women Empowerment

Being Sustainable & Responsible

Integrated Annual Report 2023-2024

Financial Highlights

Assets Under Management
₹ 267.14 Billion

Active Borrowers
4.92 Million

Employees
19,395

Total Income
₹ 51.73 Billion

Profit After Tax
₹ 14.46 Billion

GNPA
1.18%

Capital Adequacy Ratio
23.13%

Credit Ratings
AA- /Stable
(CRISIL, ICRA, Ind-Ra)

ESG Ratings

S&P Global*

ESG Score:
50/100
93rd Percentile

CDP*

ESG Rating:
"C"
Awareness Band

Sustainalytics*

ESG Score:
17.3

ESG Rating:
Low Risk

Second Party Opinion on
Social Loan & Bond Framework

M-CRIL

Rating:
Gold Level
Client Protection Certification
(SPTF + CERISE)

*ESG Rating Agencies

Scan the QR Code to know more about the Company

Contents

About the Report

Our Approach to Reporting

CreditAccess Grameen Limited's ("CA Grameen" or 'The Company' or 'We') fourth Integrated Annual Report (FY24) provides insights on the Company's endeavours to establish new performance benchmarks and strive towards fulfilling its vision. The Report outlines relevant financial and non-financial disclosures to meet the requirements of all our stakeholders.

Reporting Principle

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

Reporting Period

The Integrated Report FY24 provides material information relating to our strategy and business model for the period April 01, 2023 to March 31, 2024. For KPIs, comparative figures for the last three years have been incorporated in the Report to provide a holistic view to our stakeholders.

Materiality & Scope

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

Management Responsibility

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

Independent Assurance

We safeguard the quality of information contained in the report through a robust assurance process, leveraging our internal expertise and external assurance carried out by BDO India LLP, an independent third-party assurance provider. You can find our Independent Assurance Statement on Page 76.

Responsibility Embedded In Core

The completion of 25 years in the field of social business has helped us earn eminent goodwill in the community. Our inclusive journey has stood on the principles of product, price, process, and service suitability with a firm belief in the "evolve with our customer" philosophy. We are the first microfinance institution to cross the momentous ₹ 250 billion gross assets under management mark while advancing the financial inclusion agenda at such a large scale across the length and breadth of the country.

The microfinance business resembles an assembly line, where different functions in the organization move together in a pre-defined rhythm to meet the final goal of fulfilling the diverse financial needs of our customers. We at CA Grameen have nurtured our classical joint liability group (JLG) model with patience to unleash the true power of microfinance. We understand that motivated employees contribute to satisfied customers. We cultivate an environment where both thrive helping build resilience and navigate through challenging times.

We are conscious of our presence in the lives of 4.92 million customers. Our bonding has grown stronger over the years driven by a customer-centric approach and backed by trust & relationship. The impetus remains on being their preferred financial partner during all courses of time.

We focus on rural India which offers immense opportunities given the current credit landscape. The livelihood-based rural economy with multiple income activities, a strong social ecosystem along with large space in the inclusion realm add to the strength of our business. We believe access to affordable credit is crucial to women's entrepreneurship which has become integral to fostering economic prosperity. Our uniquely designed model involving various products and flexible repayment options supports their entrepreneurial spirit.

As a responsible lender and industry leader, we strive to offer the lowest lending rate to our clientele. It is our core responsibility to negotiate on their behalf and offer them affordable products and services driven by various efficiency factors. These efficiencies in the form of low operating costs, strong control on the cost of borrowing, and best-in-class asset quality, have been built over years of concerted efforts.

At one end of the curve, we continue to serve new customers coming to the formal credit system through the microfinance channel, while at the other end, our retail finance products cater to the growing credit needs of our mature and evolving customers, driving holistic financial inclusion.

Our Capital

Financial Capital

- Gross Asset Under Management (AUM): **₹ 267.14 billion** (+27.02% YoY)
- Active Borrowers: **4.92 million** (+15.33% YoY)
- Total Income: **₹ 51,726.52 million**
- Pre-Provision Operating Profit (PPOP): **₹ 23,909.54 million**
- Profit After Tax (PAT): **₹ 14,459.28 million**
- Return on Assets (ROA): **5.60%**
- Return on Equity (ROE): **24.85%**
- Opex/AUM: **4.54%**
- Capital Adequacy: **23.13%**
- Credit Rating: **AA- (Stable outlook)**

Read more on Page **38**

Social and Relationship Capital

- **99.98%** women borrowers
- Total number of loans disbursed: **5.40 million**
- Highest comprehensive MFI grading of **M1C1** from CRISIL
- Client Protection Certification (Cerise + SPTF) with **"Gold Level"**, rated by M-CRIL
- Social Bond & Loan Framework certified by Sustainalytics
- CSR spend of **₹ 121.67** million supporting **241,134** beneficiaries

Read more on Page **44**

Human Capital

- **"Great Places To Work"** Certified for 5th consecutive year and among India's Top 25 Best Workspaces in BFSI 2024
- Number of employees: **19,395**
- % of women workforce: **16.41%**
- Employees from local community: **96.46%**
- Number of manhours of training: **1.82 million**
- Average training hours per employee (including pre-hires): **57 hours**

Read more on Page **50**

Manufactured Capital

- Pan India presence in **16** states and **1** union territory
- **1,967** branches across **383** districts
- **1** leadership training centre
- **21** regional/divisional offices & processing centres

Read more on Page **56**

Intellectual Capital

- **1.7** products per customer
- **88%** customer retention rate
- **1.36 million** new customers digitally onboarded
- **₹ 7,945.22 million** cashless collections, **4.0%** of total collections
- **325,712 AEPS** withdrawals amounting to **₹ 1,055.13** million
- Only MFI to integrate world standard core banking solution
- **15,354** branch audits performed, using automated digital application

Read more on Page **60**

Natural Capital

- Loans compliant with internal ESMS framework & IFC performance standards
- Emissions (Scope 1,2,3): **17,408 tCO2e**
- Emissions (Scope 1,2,3) Intensity: **0.90 tCO2e/FTE**

Read more on Page **64**

Strong Cross-cycle Financial Performance

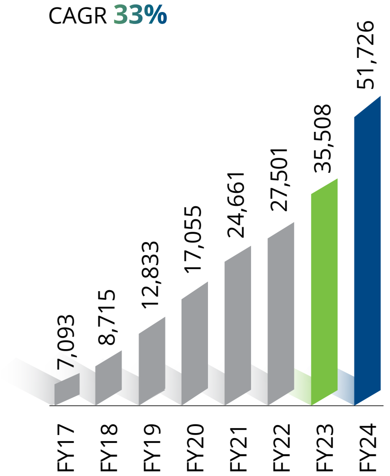
Strong Cross Cycle Performance Despite Several Crisis

- **FY17-FY18** Demonetisation, UP Farm Loan Waiver
- **FY19** Floods, NBFC Crisis
- **FY21** Covid Wave 1
- **FY22** Covid Wave 2

Total Income

₹ in Million

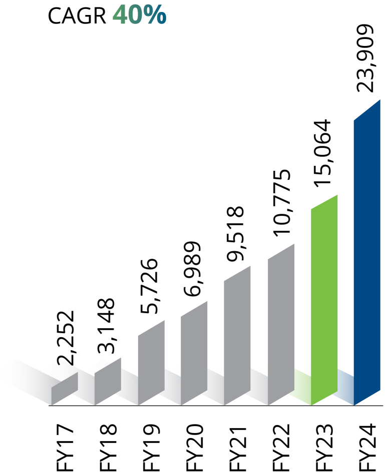
CAGR **33%**



Pre-Provision Operating Profit

₹ in Million

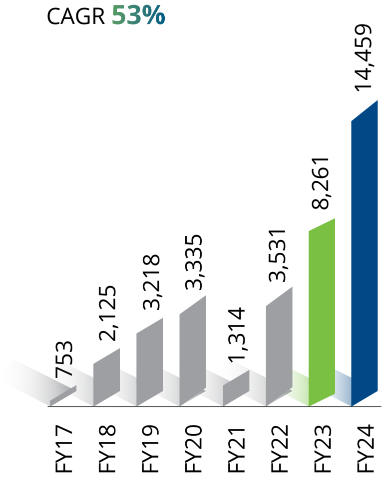
CAGR **40%**



Profit After Tax

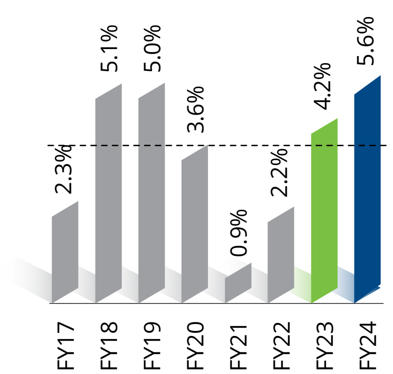
₹ in Million

CAGR **53%**



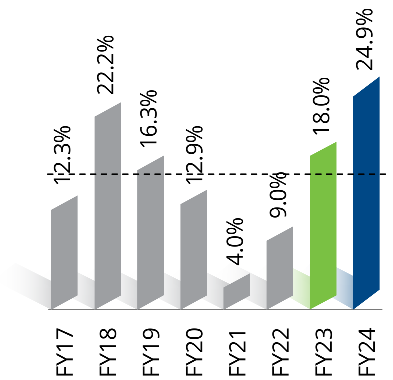
Return on Assets (%)

Cross-cycle Average RoA of **3.6%**



Return on Equity (%)

Cross-cycle Avg. ROE of **15.0%**



Message From Chairman

A Habit Of Redefining Possibilities

George Joseph
Chairman & Lead Independent Director

Dear Stakeholders,

As Confucius said, "Humility is the solid foundation of all virtues". It is a remarkable feat to complete 25 years in the field of inclusive finance with the same level of perseverance. We have always maintained uniqueness in our approach in every aspect whether it be designing our own culture, curating classical JLG model, expanding via contiguous district approach or building diversified liability franchise. The power of providing affordable small loans through successive cycles has been immense. We have tested the spirit of endurance on various occasions while catering to growing credit demand in rural India.

We have consistently met our annual performance guidance with a clear path to cross the ₹500 billion gross AUM mark by FY28. While there remain enormous opportunities to be tapped given the rising aspirations for greater prosperity, it is important to ensure the affordability and suitability of financial solutions which CA Grameen is known for.

To assess the impact of our microfinance services on the lives of our customers, we conducted a third-party study on a probability sample of 3,189 women customers across 13 states using a structured questionnaire. The findings of the study were highly encouraging for us as they reinforced the significance of CA Grameen in the economic upliftment of the customer families, women empowerment, and improved quality of life.

In our pursuit of the next leap in growth and diversification, we launched retail finance products complementary to our customers and target markets helping us to evolve with them. These products in the form of individual unsecured business loans, mortgage-backed business loans, affordable housing loans, and two-wheeler loans will be revolutionary for meeting their growing aspirations. Technology remains at the heart of our business, enabling last-mile connectivity and operational efficiency. As a step ahead in our tech journey, we successfully upgraded our core banking solution which will lead to improved business scalability and meet increasing business requirements in the form of enhanced functional flexibilities and product customisations ensuring faster go-to-market.

It is inspiring to note that we have been certified as a "Great Place to Work" for the fifth time in a row and ranked amongst the top 25 Best Companies to Work in BFSI – 2024, owing to our purpose-driven approach shaping the organisational work culture. We value diversity and inclusivity, which builds a competitive advantage. Our business focusses on women as they are an integral part of the family, community, and country's socio-economic environment.

> **It is a remarkable feat to complete 25 years in the field of inclusive finance with the same level of perseverance. We have always maintained uniqueness in our approach in every aspect whether it be designing our own culture, curating classical JLG model, expanding via contiguous district approach or building diversified liability franchise.**

We remain committed to rural India's progress as we move towards "Amrit Kaal". All our efforts align with the nation's pursuit of inclusive growth and strengthening rural incomes, marking a significant stride towards a thriving and resilient economy. Our pursuit of being the preferred financial partner for low-income households is heading in the right direction. As we continue to deliver exceptional performances, I thank all our stakeholders especially 19,395 CA Grameen employees helping us serve the nation better.

Regards,

George Joseph
Chairman & Lead Independent Director

Message from Managing Director

Relentless Quest To Grow Bigger And Better

Udaya Kumar Hebbar
Managing Director

Dear Stakeholders,

Our earnest and humble approach since inception has helped us stay connected to roots. Being empathetic and respectful towards our women entrepreneurs has allowed us to understand their credit journey better and devise unique solutions accordingly. Their tenacity to rise above circumstances continues to inspire us and underlines our commitment to duties.

We continue to play a leading role in bringing inclusive finance into the development mainstream. I am deeply gratified that our remarkable journey has unfolded a new chapter, shaping rural India's growth narrative. The enormous rural growth potential augurs well for our business model as visible in the financial performance. Our Gross AUM grew 27.02% YoY to ₹ 267.14 billion and the customer base grew 15.33% YoY to 4.92 million, led by the robust addition of 1.36 million customers in FY24 with a firm focus on diversification across newer geographies.

This year holds a special significance in our 25 years of inclusive journey, marked by a continued display of the highest standards of excellence. We delivered a PAT of ₹ 14.46 billion, with an industry leading RoA of 5.60% and RoE of 24.85% for FY24. It is important to note that it comes in the background of being the lowest-cost lender in the microfinance industry, resonating with our belief in serving responsibly.

We delivered a PAT of ₹ 14.46 billion, with an industry leading RoA of 5.60% and RoE of 24.85% for FY24. It is important to note that it comes in the background of being the lowest-cost lender in the microfinance industry, resonating with our belief in serving responsibly.

Commemorating our Silver Jubilee year, the Board of Directors has recommended ₹ 1,593.80 million one-time final dividend, equalling 11.02% of FY24 net profit and a dividend of ₹ 10 per share subject to shareholder approval at the annual general meeting.

Given our growth aspirations, the role of a strong and diversified liability franchise is imperative. We raised USD 200 million through the syndicated social loan, the first in the microfinance industry and the fourth from India. This has helped us make inroads in newer markets like Taiwan, the Philippines, Singapore, and the Middle East sensitising the prospective lending institutions to the Indian microfinance industry growth potential. In the domestic market, we raised 9,896 million through the second tranche of public NCDs bringing 8,072 investors across retail, HNI, non-institutional, and institutional categories.

We got recognition from rating agencies and renowned institutions for our notable work. CRISIL upgraded our rating from A+/Positive to AA-/Stable, making us the highest-rated standalone microfinance company in India. In line with our ESG efforts, we received an ESG rating from CDP, in addition to being rated by Sustainalytics and S&P Global. We were also honoured with renowned accolades such as Microfinance Organisation of the Year at the Global Inclusive Finance Summit 2023, Best Small NBFC 2023, at the Mint BFSI Awards Summit and Best Core Banking Technology Implementation 2024 by The Asian Banker. I am confident that our strong corporate governance standards supported by splendid management will help chart a better future for our customers. The 25 years of successful completion wouldn't have been possible without the support of our customers, employees, lenders, regulator, and government bodies.

Regards,

Udaya Kumar Hebbar
Managing Director

Message From Chief Executive Officer

Promoting a Sustainable Lending Ecosystem

Ganesh Narayanan
Chief Executive Officer

Dear Stakeholders,

Our earnest and humble approach since inception has helped us stay connected to roots. Being empathetic and The collaborative endeavours through leveraging partnerships and expertise have redefined the social impact which we strive to create in the lives of our customers. The Silver Jubilee journey characterised by significant impact and achievements, continues to inspire our employees and other stakeholders to take the company to the next level. By integrating innovative approaches and inclusive strategies, we have created benchmark practices in the microfinance industry.

Our multi-layered, proactive monitoring and control systems have been strategically crafted to uphold a resilient operating model. The robust three-line defence system comprising Field & Quality Control teams, a Risk Team, and an Internal Audit Team, collectively strengthens our business across all operating environments, promoting a sustainable lending ecosystem. Our cross-cyclical Return on Assets (RoA) and Return on Equity (RoE) metrics of 3.6% and 15.0% respectively over the last eight years demonstrate the ability to generate robust returns while managing risks prudently leading to enduring value for all stakeholders

Our cross-cyclical Return on Assets (RoA) and Return on Equity (RoE) metrics of 3.6% and 15.0% respectively over the last eight years demonstrate the ability to generate robust returns while managing risks prudently leading to enduring value for all stakeholders.

The homegrown team associated with us for many years, understands the local context closely, allowing us to tailor our services and initiatives to meet the specific needs and preferences of our diverse clientele. They have helped deliver results consistently and uphold high standards of integrity. As a result, we have maintained customer retention rates in the range of 84%-88% for the past several years. The symbiotic relationship between customers and employees enhances our ties with the local community, where we are perceived not merely as a financial services provider but as a trusted partner in community growth and prosperity.

We have made continuous investment in technology, including the upgradation of our core banking system, introduction of business rule engine, process automation, APIfication through enterprise service bus etc aimed at future-proofing our institution. These technological advancements not only streamline the processes but also enable us to offer personalised services that meet the evolving needs of our customers. The company has several strategic projects that span across various functions and this forms the backbone of our growth engine. Our goal is not just to stay ahead of the curve but to define it, ensuring that we remain relevant with changing times.

We are committed to building upon this foundation and continuing to set new benchmarks of excellence in the industry. Our journey serves as a testament to what can be achieved through perseverance, collaboration, and a steadfast commitment to making a positive impact on the world around us.

Our vision to offer the best of financial services that are suitable to our customers and strategic endevour to work with the communities through the CSR arm, CreditAccess India Foundation, will go a long way in ensuring what we have set to achieve. Our people-centric culture remains the biggest strength as we enter the new financial year with all stakeholder's support.

Regards,

Ganesh Narayanan
Chief Executive Officer

Inclusive Journey Snippet

Amidst various experiments in the financial inclusion space, our business model continues to remain relevant enabling millions of women entrepreneurs to enter the formal lending fold. The unwavering commitment to a ‘high-touch high-tech’ approach adds strength to the resilience narrative across various cycles. Our journey has been one of innovation and adaptability where we have leveraged technology solutions combined with our stable processes to service across the hinterlands.

1999
Launched Microfinance Business in an **NGO avatar**

2006
Reached **50,000** customers

2007
Transitioned from an **NGO to NBFC**

2008
Raised first equity funding and crossed **₹ 1,000 million** gross AUM mark

2013
Received **NBFC-MFI** license

2014
CreditAccess India acquired a **major stake**

2015
Reached **1 million** customers

Adopted Temenos **Core Banking Solution (CBS)**

2018
Listed on exchanges with **₹ 11.31 billion** IPO

25 Years
of Delivery Excellence

2020
Successfully acquired **76%** stake in Madura Microfinance Ltd.

Raised **₹ 8 billion** through QIP

2022
Completed maiden public NCD issue of **₹ 5 billion**

2023
Raised **USD 200 million** through syndicated social loan, 4th in the country

2024
Crossed **₹ 250 billion** Gross AUM mark

Reached **4.9 million** customers

“I aspired to expand my grocery store business and found the right impetus through Grameen Unnati loan. I utilized this amount to stock up on inventory for my business. My business scaled up gradually, and we are enjoying good profits now. I have availed loans from Grameen Koota on multiple occasions. Be it for business or children’s education, the availability of timely credit has helped my family a lot.”

Umadevi
Kanakapura

“Through regular loans from CA Grameen, I have steadily grown my business of household utensils shop at two locations. Surpluses generated have been invested in the business and providing quality education for my son. My husband now devotes significant time to the family business in pursuit of securing a prosperous future for us. I have deep gratitude to the Company for financial support.”

Meera Bai
Bilaspur

Microfinance Impact Assessment – Key Findings

The Company conducted a detailed third-party study to assess the impact of CA Grameen's microfinance services on the quality of life of the customers.

The study was performed on a probability sample of 3,189 women customers across 13 states, who were interviewed using a structured questionnaire. The study findings reinforce the significance of CA Grameen in the economic upliftment of the customer families along with an improved quality of life.

Economic Impact

- Strong **'+ve'** correlation between vintage with CA Grameen and the income growth
- **64%** reported **25%-100%** income increase since becoming CA Grameen customer
- **54%** invested in business assets
- **75%** started new income activity
- **27%** reported **₹ 5k-15k** savings per month
- Sources of income: agriculture, daily wage labour, livestock, business, salary, pension, remittances

Risk Management & Resilience

- **93%** feel financially more secure
- **94%** have reduced reliance on informal credit
- **85%** feel able to cope with income shocks
- **96%** feel improvement in managing expenses
- **87%**, **96%**, **91%** feel better awareness about savings/investments, life insurance and health insurance respectively
- To cope with major disruption, **25%** use own savings, **53%** take loan from CA Grameen, **22%** take loan from informal sources

Quality of Life

- **86%** can spend more on education (**47%** spending >**₹ 2,000** per month)
- **98%** can access better healthcare services
- **99%** can access improved nutrition
- **69%** have moved to better quality housing
- **80%** aspired to buy new house/renovate existing house using credit from CA Grameen over the next 2-3 years
- **87%** reported major improvement in overall well-being since engaging with CA Grameen

Social Impact & Women Empowerment

- **96%** manage/actively involved in new income activity
- **99%** feel more confident to take household decisions
- **82%** reported increased participation in community affairs
- **87%** reported increased decision making power in household affairs

Customer Satisfaction & Service Quality

- **96%** use loans for their stated purpose as diverse loans are available for various life-cycle needs
- **93%** understand loan pricing
- **95%** aware about CA Grameen charging lowest interest rate
- **93%** satisfied with CA Grameen services
- Most common gain from association with CA Grameen better income **(83%)**, improved quality of life **(73%)**, social status **(46%)**, financial awareness **(46%)**and access to financial services **(39%)**

Our Company

CA Grameen is a Bengaluru headquartered microfinance institution. Since our inception in 1999 as an NGO, we have continued to strengthen the social fabric through our sincere efforts in the field of financial inclusion.

We have evolved into a dominant force to emerge as India's largest NBFC-MFI with a presence across 16 states and 1 union territory. We have curated a classical joint liability group (JLG) model in the microfinance segment for nascent customers, a unique approach to serving in rural areas. The model follows a 'credit line concept' where a bouquet of products and services meeting entire lifecycle needs are offered along with flexible repayment options, a unique feature in the MFI industry across the globe. Our microfinance products cater to income generation, education, medical, festival, home improvement, water and sanitation, and emergency needs of our customers. Under retail finance, we have individual unsecured business loans, mortgage-backed business loans, affordable housing loans, and two-wheeler loans responding to the evolving needs of matured customers. In addition to the credit products, we also offer wage loss insurance, life insurance, and AEPS-based cash withdrawal facility covering every facet. Our focus has been building an ecosystem of high loyalty on both customers' and employees' ends.

Vision

To be the preferred financial partner of Indian households lacking access to formal credit.

Mission

To provide affordable credit and other financial services in a responsible, sustainable, reliable way to our customers matching their evolving needs.

Values

C — Committed
R — Reliable
E — Empathetic
A — Accountable
T — Transparent
E — Efficient

CA Grameen Business Model

Inputs

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

Manufactured
- Pan India presence
- Deep rural penetration

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

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

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

Natural
- ESG compliant loans
- GHG accounting

Value Creation Process

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

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

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

Outputs

Financial
- AUM: ₹ 267.14 billion
- Active Borrowers: 4.92 million
- PAT: ₹ 14.46 billion
- ROA: 5.60%, ROE: 24.85%
- Opex/AUM: 4.54%
- Capital Adequacy: 23.13%
- Strong Credit Rating: AA- /Stable

Manufactured
- Number of states: 16 states and 1 UT
- Number of branches per district: 5.14

Human
- Number of employees: 19,395
- % of women workforce: 16.41%
- % Employees from local community: 96.46%
- Number of manhours of training: 1.82 million
- Average training hours per employee (including pre-hires) : 57 hours

Intellectual
- Number of products per customer: 1.7
- Customer retention rate: 88%
- New customers digitally onboarded: 1.36 million
- 15,354 branch audits performed

Social and Relationship
- % of women borrowers: 99.98%
- Total CSR Spend: ₹ 121.67 million supporting 241,134 beneficiaries

Natural
- Loans compliant with internal ESMS framework & IFC performance standards
- Emissions (Scope 1,2,3): 17,408 tCO2e
- Emissions (Scope 1,2,3) Intensity: 0.90 tCO2e/FTE

Outcomes / Financial and Associated Risks

Outcomes	Financial and Associated Risks
Customers • Access to need-based credit • Improved income • Improved quality of life	Net interest income from loan, insurance and NPS activities, bad debt recovery
Employees • Skilled employees with internal growth opportunities • Healthy life and financial security	Staff costs, employee benefits, operating and non-operating expenses
Shareholders • Sustainable business model • Superior growth, profitability, RoI	Dividends and retained earnings
Regulators • Compliance • License to operate	Direct and indirect tax

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

SDG Linkages

Corporate Governance

A Journey Mapped At Every Step Ensuring Fairness And Transparency Towards All Stakeholders

CA Grameen's endeavour in adhering the highest standards of ethics, governance, and compliance in its day-to-day business operations, has not only helped to weather the turbulent times but has also demonstrated resilience in coming out of any financial crisis unscathed. The Company is committed to strengthening this approach through continuous innovation & adaptability in the light of changing business and regulatory landscape.

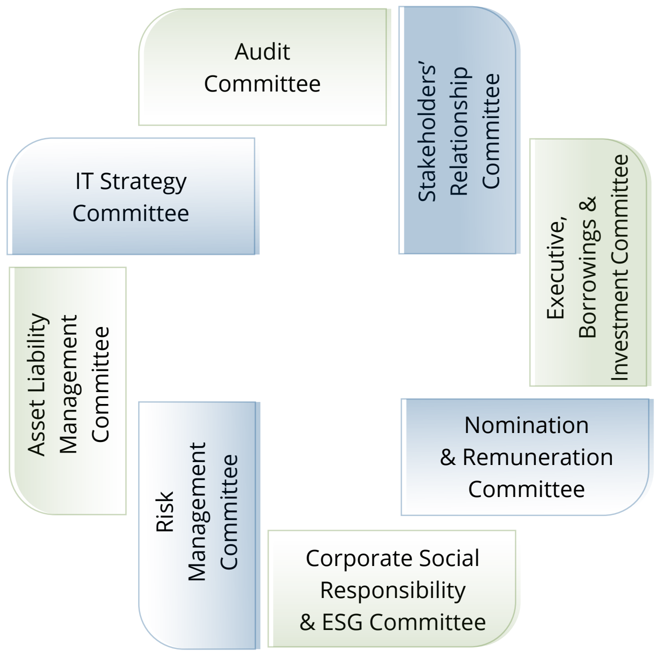
We remain committed in nurturing an organisational culture, where every employee is cognizant of practicing strong business ethics, demonstrate fairness and transparency towards customers, co-workers, and other stakeholders. We have a strong Board of Directors and Supervisory Committees, which play an important role in identifying, mitigating, and managing key risks, monitoring performance, and fulfilling stakeholder demands. For more details, refer to the Business Responsibility and Sustainability Report, Page 100.
In FY24, there were no financial and in-kind political contributions made by us.

25%
of the board members are women

50%
of the board members are independent

5.3 year
average tenure of the board

Committees of the Board



Board of Directors

George Joseph
Chairman and Lead Independent Director

Paolo Brichetti
Vice-Chairman and Non-Executive Director

Udaya Kumar Hebbar
Managing Director

Sumit Kumar
Non-Executive Director

Massimo Vita
Non-Executive Director

Rekha Warriar
Independent Director

Manoj Kumar
Independent Director

Lilian Jessie Paul
Independent Director

COMMITTEES

- Audit Committee
- ALM Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Executive, Borrowings and Investment Committee
- IT Strategy Committee
- CSR and ESG Committee

Our Management Team

Udaya Kumar Hebbar
Managing Director

Ganesh Narayanan
Chief Executive Officer

Balakrishna Kamath
Chief Financial Officer

Gururaj K S Rao
Chief Audit Officer

Firoz Anam
Chief Risk Officer

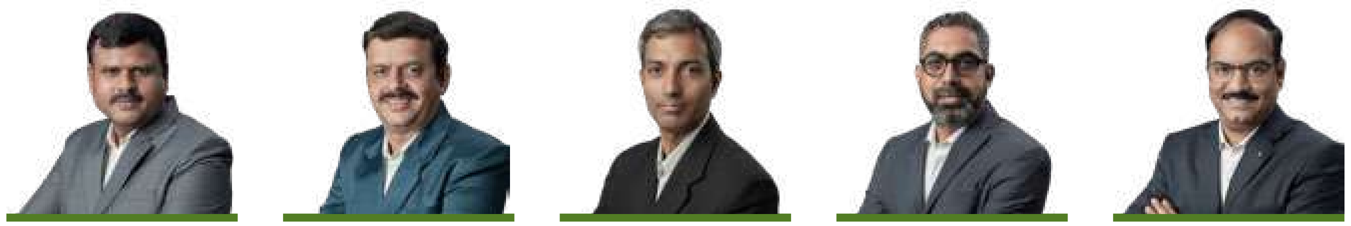
Sudesh Puthran
Chief Technology Officer

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

Ravi Rathinam
Chief Information
Security Officer

Gopal Reddy
Business Head
- Group Lending

Srivatsa H N
Business Head
- Retail Finance
& Group Lending



Manjunatha
Business Head
- Group Lending

Venkat Naik
Business Head
- Group Lending

Arun Kumar B
Head – Strategy,
Innovation & Analytics

Sundar Arumugam
Head – Digital
Lending & Retail
Finance Products

Nagananda Kumar K N
Head - Operations

Haridarshini A
Head -
Operational Excellence

Nilesh Dalvi
Head –
Investor Relations

Manian RHS
Head -
Human Resources

Murugesh Velusamy
Head-Underwriting of
Mortgage Business

Our Senior/Middle Management Team

Chandrakanth S
Vice President

Praveen Kumar H I
Vice President

Bhavish Tulsian
Assistant Vice President

Ranjan Kumar Kar
Assistant Vice President

Shivakumar M S
Assistant Vice President

Srinivasababu Saheb N
Assistant Vice President

Chandradas K
General Manager

Jagadeesh B G
General Manager

K M Jayaprakash
General Manager

Lokesh M K
General Manager

Manjunatha D R
General Manager

Marina Alex
General Manager

Murari Kumar Jha
General Manager

Piyush Saraogi
General Manager

Reshma Mahaboob
General Manager

Srikanth Sitra
General Manager

Srinivasreddy Naryanreddy Bakkasaab
General Manager

Vishwanatha H K
General Manager

Our Senior/Middle Management Team


A. Bhuvaneswara Prasad
Deputy General Manager


Anand R
Deputy General Manager


Arunkumar J
Deputy General Manager


Bharath B S
Deputy General Manager


Chandomay Das
Deputy General Manager


Cornelius Kamalesh C
Deputy General Manager


Dhavalkumar Sureshchandra Vairagi
Deputy General Manager


Gangaraju M
Deputy General Manager


Gorijavaram Satish
Deputy General Manager


Gunjan Vijayvergiya
Deputy General Manager


Kalpana A Muddebihal
Deputy General Manager


Mahesh K T
Deputy General Manager


Mani
Deputy General Manager


Mohiuddin Tanveer
Deputy General Manager


Munjeti Bhaskara Rao
Deputy General Manager


Muthuraju H
Deputy General Manager


Nagaraj Muthusamy
Deputy General Manager


Ningegowda K N
Deputy General Manager


Palaniyappan
Deputy General Manager


Prabhu P
Deputy General Manager

Our Senior/Middle Management Team


Raghavendra H P
Deputy General Manager


Rajendra Prasad J
Deputy General Manager


Ravi S N
Deputy General Manager


Revinath G
Deputy General Manager


Rohit Raj
Deputy General Manager


Sahib Sharma
Deputy General Manager


Santhosha Shetty B
Deputy General Manager


Shirralan T
Deputy General Manager


Shivalingaiah H K
Deputy General Manager


Sonia Jagdish Birla
Deputy General Manager


Sourabh Laxmikant Deshmukh
Deputy General Manager


Srinivasa Anjaneya Reddy Meka
Deputy General Manager


Sudesh Mallya S
Deputy General Manager


Sudhakar Rao Ambeer
Deputy General Manager


Sujay C T
Deputy General Manager


Thimmappa M
Deputy General Manager


Thimmegowda K
Deputy General Manager


Veena Sujay Narayan Rao
Deputy General Manager


Venkatesh P
Deputy General Manager

Robust ESG Policy Framework

ENVIRONMENT

- Environmental, Social, Governance Policy
- Environmental and Social Management System Policy
- Energy Management Policy
- Waste Management Policy
- Risk Management Policy

SOCIAL

- Gender/Equal Opportunity Policy
- Human Rights Policy
- Corporate Social Responsibility Policy
- Employees Code of Conduct Policy
- Remuneration Policy
- Non Discrimination and Anti-Harassment Policy
- Prevention of Sexual Harassment Policy
- Client Data Privacy Policy

GOVERNANCE

- Anti-Bribery and 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
- Vendor Management Policy

ESG Global Ratings & Accreditations

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

S&P Global ESG Risk Rating

50/100

Ranked in

93rd

percentile as of December 22, 2023

As of December 22, 2023, our Company performed in the top decile in the Diversified Financial Services and Capital Markets Industry in the S&P Global Corporate Sustainability Assessment.

S&P Global

CDP ESG Risk Rating

Under Carbon Disclosure Project's ("CDP") Climate Change 2023 Assessment, CA Grameen received a score of "C", which is in the Awareness band, same as the Asia regional average of "C". This was the first climate change assessment undertaken by the Company.

CDP

Sustainalytics ESG Risk Rating

The Company currently has an

ESG Risk Rating of 17.3

and assessed to be at

"Low Risk"

of experiencing material financial impacts from ESG factors

Rated
SUSTAINALYTICS

Second Party Opinion from Sustainalytics on Social Bond & Loan Framework

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

Second-Party Opinion
Reviewed by
SUSTAINALYTICS

Gold Level Client Protection Certification

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

M-CRIL

CLIENT PROTECTION CERTIFICATION

Issued to:

CreditAccess Grameen Limited

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

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

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

Arpita Pal Agrawal
Managing Director

Stakeholder Engagement

Fostering Inclusivity At Every Phase

We are committed to value creation which involves cultivating meaningful connections with stakeholders, understanding their diverse issues and concerns across the ESG spectrum. We continue to strive for excellence through our unique approach to bridging the inclusion gap. With dedicated engagement mechanisms, we foster inclusivity in every interaction. This approach enables us to delve into their explicit and implicit needs, which in turn shapes our strategic direction and operational decisions.

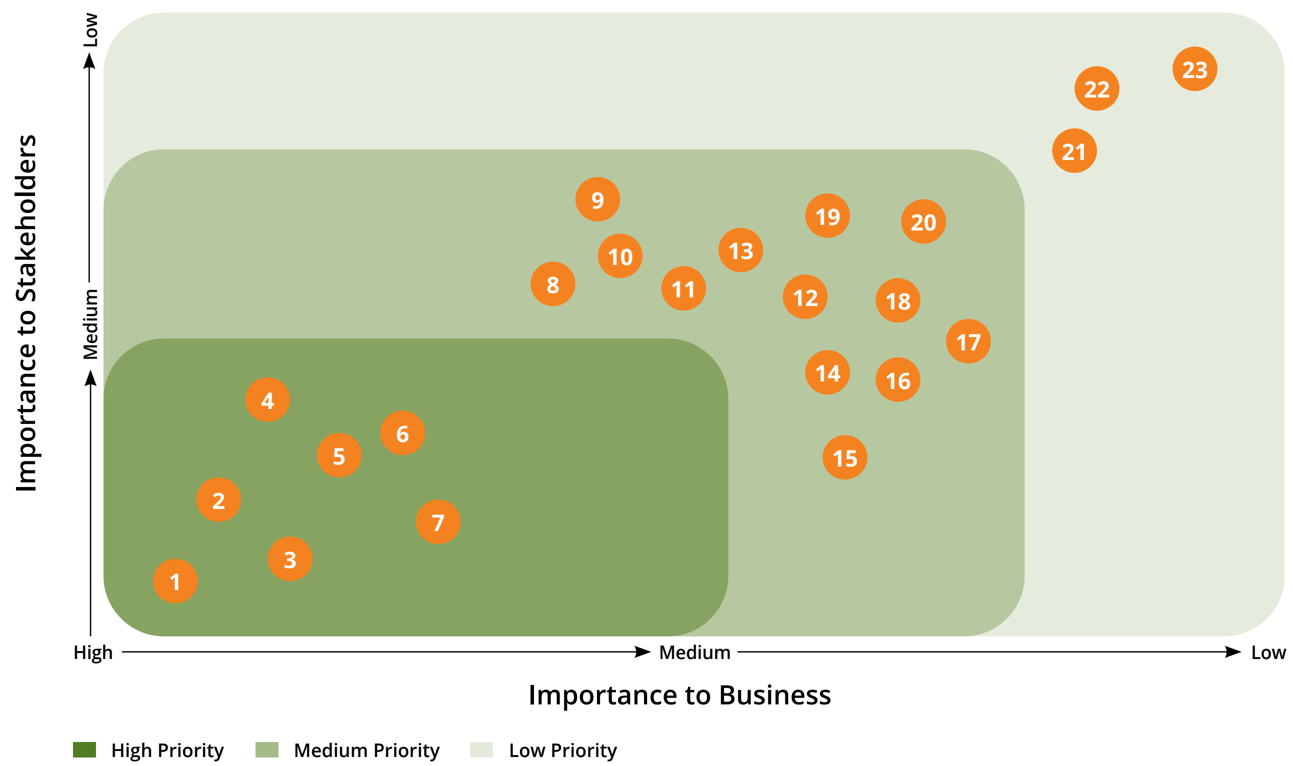
Stakeholder group	Modes of engagement	Frequency of engagement	Purpose & scope of engagement
Customers **4,918,147**	• Centre meetings • House visits • Short Message service • Audio/video messages • Pamphlets • Notice board • Interaction at branches • YouTube channel (Grameen Koota Jagruti) • Outbound calls • External surveys	Weekly and periodic	• Understanding customer's credit needs • Tracking local issues & concerns • Conducting social awareness initiatives for educating customers
Local Communities **241,134** CSR Beneficiaries	• Newspaper • Pamphlets • Meetings	Continuous basis	• Undertaking various support initiatives as part of the company's csr program
Employees **19,395**	• Internal newsletters • Communication circulars • Trainings • Supervisory interactions • Scheduled visits • Focused group discussions & surveys	Continuous basis	• Continuous development • Alignment of organisational objectives • Operational awareness
Shareholders & Debt Investors **86,235** Lenders **69** Regulators Credit Rating Agencies Other Business Partners	• Meetings • Calls • Website • Newspaper • Email	Quarterly/need-based	• Updating on business performance and outlook • Financial results, industry developments • Addressing key issues & concerns

Materiality Assessment

Dedicated Efforts Towards A Better Future

The materiality assessment exercise has resulted in focusing on relevant aspects steering the direction of our inclusive journey. We have classified those aspects in various buckets depending on the priorities aligning them with our long-term vision. Our thrust continues to remain on maximising value creation for every stakeholder.

Material Topics Identified



	Material Topics	Impact on Capital
1	Corporate Ethics and Integrity	
2	Positive Customer Experience	
3	Regulatory Compliance	
4	Economic Performance	
5	Governance Risk Management	
6	Brand and Reputation Management	
7	Data Security and Privacy	
8	Sustainable Business Strategy	
9	Financial Inclusion	
10	Employee Training and Development	
11	Social Credit Rating	
12	Employee Health and Well-being	
13	Innovative Products and Services	

	Material Topics	Impact on Capital
14	Digitisation	
15	Financial Literacy	
16	Local Employment Generation	
17	Community Development	
18	Human Rights	
19	Equality and Diversity	
20	Positive E&S Impact of Products/Services	
21	Effect of climate change on Debt	
22	Climate Change and GHG emissions	
23	Waste Management	

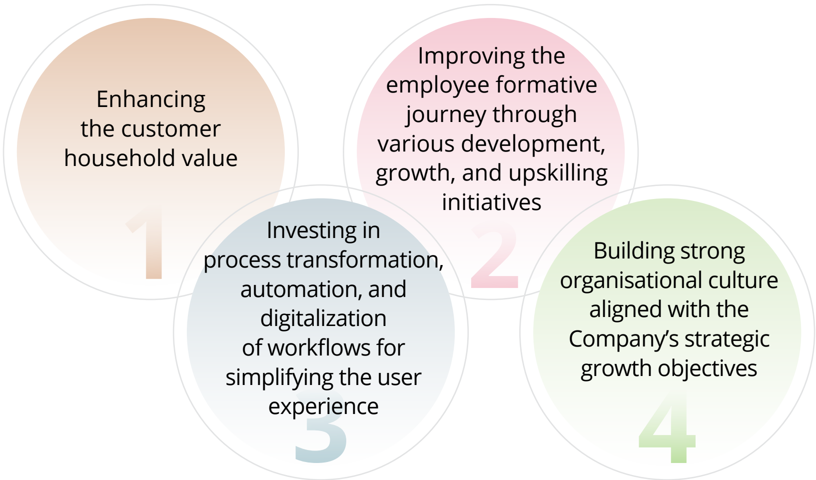
Financial Capital
Manufactured Capital
Human Capital
Intellectual Capital
Social and Relationship Capital
Natural Capital

Environment
Social
Governance

Business Strategy

Offering Bespoke Solutions Supported By Robust Technology Stack

In line with our vision, we aim to focus on responsible lending and create a long-term positive impact at the bottom of the social pyramid by offering customised products and services, matching our customers' evolving needs. Our strategy primarily focusses on:



Product Strategy

The product strategy takes centre stage helping cater to customer's diverse needs. We take the onus of nurturing their credit journey by providing suitable products at their doorstep. We believe that affordable credit is the right of every customer to help them pursue their chosen economic activities. In line with the same ethos, we offer them multiple products within a defined credit limit under the microfinance group loans. The entry point is through an income generation loan which if serviced on time helps other loans in a defined credit limit get unlocked at various points. For loans above ₹75,000 ticket size, eligible for higher vintage customers, we are offering a three-year loan tenure which helps in better serviceability and forging long-term relationships. Our tailor-made approach has helped instill discipline to millions of customers, especially in rural India who have entered the formal lending fold for the first time and maintain a high customer retention rate.

To meet the evolving needs of our graduated customers, we are offering retail finance loans. Individual unsecured business loans are offered to our existing graduated microfinance customers with more than two years of vintage, multiple income sources, and income over ₹0.3 million. For larger business requirements, we offer mortgage-backed business loans. We have recently launched affordable housing loans to meet the increasing demand and aspiration for home improvements, new purchases, or self-construction. We also offer new two-wheeler loans to our existing customers. For all retail finance products, we are leveraging our established long-term relationship with our customers, a well-known presence in the community, and feet-on-street strength leading to referrals. While individual unsecured business loans, and two-wheeler loans are offered to only existing customers, mortgage-backed business loans and affordable housing loans are offered to both existing and new customers.

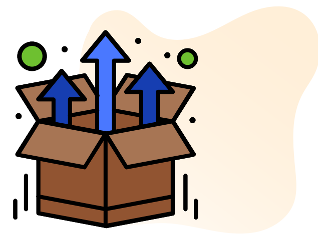
As on FY24:

Individual unsecured business loans AUM was
₹ 5,090 Million

Two-wheeler loans AUM was
₹ 182 Million

Mortage-backed business loans AUM was
₹ 1,509 Million

Affordable housing loans AUM was
₹ 283 Million



We continue to maintain strong underwriting standards to source customers as we foray into newer products. We are creating analytical workbenches for businesses to take part in decision-making and forecasts to ensure faster turn-around decisions.

The microfinance business involves catering to both credit and non-credit demand. Intending to give holistic services to our customers, we have progressed well on our earlier initiatives. We continue to offer AEPS-enabled cash withdrawal service to our customers at the centre meeting location. The wage-loss insurance, (Hospicash), has provided financial stability to our clientele in uncertain times. The two-wheeler insurance on renewals provided to customers comes along with personal accident. This ensures substantial life coverage given households have one vehicle. We are working to launch an innovative insurance savings product that suits our customers. We will probably be the first to provide such a customized offering in rural India.

People Strategy

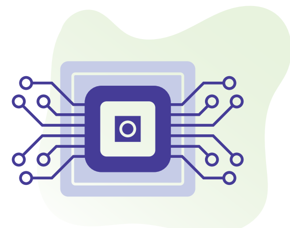
The synergy between customer and employee takes centre stage in our journey, paving the way for resilience. We follow the DICE (Duration, Integrity, Commitment, and Effort) Model, catering to the developmental needs of our employees, following an inclusive approach to communication and decision-making, celebrating milestones achieved, and keeping an eye on employee well-being. Our time-tested talent acquisition approach to hiring fresh employees from rural communities has helped maintain a strong culture, robust quality, and operational efficiency. Our focus is on organic growth which is aimed at grooming internal talent to take larger roles, a key part of our organisational culture. We follow a laissez-faire philosophy where employees are given autonomy to make decisions leading to a sense of ownership and better outcomes. At CA Grameen, we constantly build awareness and reiterate the importance of an equal-opportunity employer with female representation across roles, management bands, departments, and geographies.

Process Transformation Strategy

The process transformation strategy fits under the realm of efficiency, scalability, and suitability factors given our customer-centric approach. The quality of services rendered through regular interactions determines customers' choice of availing loans. We aim to offer a seamless experience through our 'high-tech high-touch' model while automating various workflows to reduce the turnaround time. We are using an zero-code platform for developing our customer experience journeys. The implementation of robotic process automation has helped improve process efficiency and speed. We are working on a simplified user experience with enhanced mobility solutions and the unification of various workflows and processes in a modular form. We continue to enhance our digitization journey for effective cross-selling, automated dashboards for better decisions, and improved business forecasting and risk modelling.

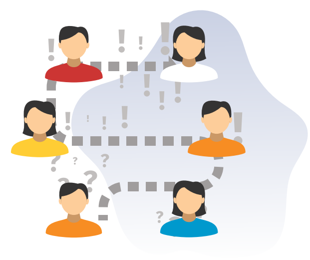
Data Transformation Strategy

We are a mobile-first organisation with more than 16,000 tabs in the field. All our applications are designed for scale while being suitable to work in every environment. We have strategically invested in data platforms that will help democratize data, giving relevant information in the hands of the business team for efficient decisions. We are leveraging extensive data to understand the customer journey. This gives us a better visibility of customer targeting and relevant cross-sell opportunities. We are using forecasting and modelling techniques including predictive analytics (non-traditional sources) for analysing customer behaviour.



Technology Strategy

Technology is a key enabler in microfinance. We aim to leverage technology to improve customer experience, employee experience, business stability and scalability, and to be ahead of the curve amidst the rapidly evolving financial services landscape. We aim to focus on building agile technology which is highly responsive to evolving business requirements. Enterprise service bus will be a strong foundation for our digital ecosystem. We shall strengthen our integration capabilities by leveraging API banking to improve customer insights, personalization, and customised product and service offerings. We are building a customer self-service digital lending platform based on microservices architecture for quick adaptiveness. We recently upgraded our core banking solution enabling improved business scalability and making us future-ready.



Risk Management Strategy

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

We are taking various initiatives on integrated risk management within our organisation. We have implemented a rule engine enabling agile credit underwriting while leveraging the power of data analytics. This has enabled the company to apply complex credit decision rules for existing and new lending products. The rule engine has also enabled us to optimize across multiple credit bureaus to maximize efficiency and data quality. In addition, this will allow the company to deploy bespoke credit scoring models in underwriting new lending products.

Adhering to the revised microfinance guidelines laid down by the RBI, we are exploring various methodologies for robust income estimation using an analytical approach. By expanding the scope of product and service offerings, we work towards constant refinement and addition of granularity to product-level credit policies for efficient credit decisions within acceptable tolerance limits. We have developed a framework for internal capital planning and assessment in line with the regulatory requirements. We are implementing a risk management system that will help us in the automation of various risk management processes. We are also actively working on building data around climate risk to manage its impact on portfolio growth and quality.

Core Risks and Approach to Mitigation

Risk	Context	Mitigation Plan	Capitals Impacted
Credit Risk	Defaulting or non-repayment of loan by a borrower, leading to monetary loss to the Company.	The Company ensures the required expertise to develop systems, procedures, and tools to effectively manage credit risk. The Company also specifies the acceptable level of risk-reward trade-off for various products and activities. This includes the identification of target markets, sectors, geographies, preferred diversification and concentration levels, cost of capital in granting credit, and cost of bad debts. Risk management guidelines issued by RBI and SROs (MFIN) continue to act as a guiding factor while formulating and implementing the risk system.	
Liquidity Risk	Maintaining a sufficient liquidity buffer on a continuous basis to fulfill immediate obligations including debt repayments and committed loan disbursals. Basel III norms mandate sufficient liquidity to meet obligations over 30 days.	The Company adheres to the tolerance and prudential limits for structural liquidity under different time buckets as prescribed in the Board-approved ALM policy. The company also conducts stress testing involving various adverse scenarios to evaluate the robustness of liquidity position.	
Interest Rate Risk	This arises on account of interest rate related fluctuations which could have a potential impact on earnings if the assets and liabilities have a mismatch in tenure.	As per our pricing policy, the Company is allowed to pass on the increase/decrease in cost of funds to the customer while making new loans. As a result, the interest rate risk is significantly mitigated.	
Currency Risk	The Company may borrow in foreign currency from institutions abroad and such borrowing exposes the Company to risk as loan assets are in Indian Rupees.	The Company's business mandate does not involve actively seeking profit opportunities from speculative trading in foreign currency. Any foreign currency transaction must display a clear linkage to the client-related business. The Company is not authorized to maintain a proprietary trading book in short-term foreign currency instruments. All foreign currency borrowings are completely hedged against foreign exchange risk.	
Operational Risk	Risks emanating from a range of sources including processes, people, systems, external events can lead to a substantial drag on earnings or threaten solvency in rare cases. The type of major loss events would include frauds, misappropriations, personal transactions, robberies, business disruptions and system failures, damage to physical assets, loss arising due to failed execution of processes or products.	The Company has developed a risk and control self-assessment (RCSA) process for identifying, assessing, and evaluating operational risks. Well-defined KRIs and internal/ external loss events are captured and reported on a regular basis. CA Grameen ensures the efficacy of controls for operational risk by including internal controls, training, insurance, fraud monitoring, IT systems and security, and business continuity planning. The field risk team supports the business teams by conducting investigations of major frauds and PAR events in the field, assess gaps in underlying controls, and recommend improvements in controls.	

Risk	Context	Mitigation Plan	Capitals Impacted
IT Risk	The company depends on technology intensive information systems to carry out its mission and business functions. Information systems are subject to serious threats that can have adverse effects on organizational operations, assets and individuals by exploiting both known and unknown vulnerabilities to compromise the confidentiality, integrity, or availability of the information being processed, stored, or transmitted by the systems.	Acceptable usage of the Company's IT setup is published and shared with all employees as well as third-party service providers. Periodic training and awareness are given to individual employees on Information security and Cyber security. Endpoint Security is installed in the employees' workstation and IT setup of data centres. There is a clear segregation of IT setup between production, pre-production and UAT (user acceptance testing) environments. Periodical access review is done both for end users as well as IT users. Changes in production IT setup are monitored and reviewed periodically. Inclusion of SLAs in agreement with vendors as per business requirements and regular monitoring of SLAs. We conduct periodical governance meetings with 3rd party suppliers. DR site is implemented with live data replication, a data backup solution in place with a regular review process. Company has deployed a security operations center (SOC) that monitors cyber security threats on a real time basis. Conducts regular vulnerability assessment, penetration testing and patch management. Physical security deployed as per ISO 27001:2013 at data centres.	
ESG Risk	ESG risks include those related to climate change impacts mitigation and adaptation, environmental management practices and duty of care, working and safety conditions, respect for human rights, anti-bribery and corruption practices, and compliance to relevant laws and regulations. For us, these risks include • Delayed and uneven rainfall, extreme weather events and climate change leading to inconsistent rural output and vulnerability • Change in customer behaviour due to social-political changes • Over-leveraging in certain geographical areas • Increasing competition leading to diverse lender practices impacting customer credit behaviour and discipline • Decreasing soil productivity impacting agri-dependent activities • Customer migration to cities • Regulatory risks	The Company primarily focusses on deep rural markets where the penetration and competition are relatively lower compared to urban and semi-urban markets. The JLG model of lending functions more effectively in rural markets where the borrowers know each other very well and can drive better group credit discipline. CA Grameen's weekly meeting model helps in maintaining strong customer relationships, better control and early risk identification. CA Grameen's contiguous district-based expansion strategy helps in better understanding and mitigation of risks on account of socio-political factors, overleveraging, competition etc. The majority of the Company's borrowers are engaged in essential activities, primarily dependent on local demand/ supply forces. This segment of customers borrows for livelihood supporting activities and can display strong resilience to external disturbances and faster recovery. CA Grameen conducts business in compliance with the MFI regulations stipulated by RBI and is also governed by guidelines issued by SROs. CA Grameen actively engages in CSR activities that go a long way in mitigating social and governmental risk. CA Grameen provides training and awareness among loan officers to avoid lending to "polluting" industries and avoid lending to activities employing "child labour".	

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

Internal Controls Strategy

Our strategic internal control framework helps reinforce the core principles of microfinance, utilizing a robust three-tier defence system that underpins our ability to scale operations effectively. At the forefront, our Business Support Team (BST) or quality control team ensures proactive process oversight and documentation, including the conduct of fraud investigations. This team comprising of 400+ members with a strong operational track record, serves as our first line of defence. The second line of defence involves our field risk team of 65 members, tasked with monitoring operational hazards, spotting early warning signs, and identifying potential threats both within and outside the organization. The cornerstone of our internal control strategy is our comprehensive internal audit team of 369 members having navigated various market cycles, which constitutes the third line of defence. This team assures compliance with established systems, policies, and procedures through a rigorous evaluation based on 154 checkpoints across 12 critical areas.

Looking ahead, we aim to sustain a healthy growth rate of 20-25% CAGR over the next 4-5 years, all while upholding superior asset quality. The Internal Audit's role is pivotal in this context, owing to its pro-active approach. With the investments in automation and the integration of analytical capabilities within internal audit processes, the audit cycle for branch audits has been reduced from 60 days to 45 days while ensuring 100% centre coverage during the year. This reduction in frequency holds significant benefits for us. Firstly, it allows for improved audit coverage across branches, ensuring a more comprehensive examination of operations, controls, and compliance. Secondly, the enhanced frequency enables internal audit to contribute to more effective risk management by promptly identifying and addressing potential risks and controlling weaknesses. Lastly, the increased assurance gained through more frequent branch audits adds value by providing timely insights into branch operations and assisting management in making informed decisions. This strategic shift towards a shorter audit cycle reflects our commitment to leveraging automation and analytics to drive efficiency effectiveness, and value in our internal audit processes.

Financial Capital

Value Creation Rooted In Our DNA

Interlinked SDGs

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

FY24 KPIs

Total Income
₹ **51,726.52 Million**

Profit After Tax (PAT)
₹ **14,459.28 Million**

Return on Equity (ROE)
24.85%

Debt capital raise
₹ **154,741.35 Million**

Pre-Provision Operating Profit (PPOP)
₹ **23,909.54 Million**

Return on Assets (ROA)
5.60%

Liquidity
₹ **27,522.74 Million**
of cash & cash equivalents amounting to
9.54%
of total assets

Capital Adequacy
23.13%

Debt/Equity***
3.32

Strong Credit Rating
AA-/Stable

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

Strategic Focus

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

Future Scope

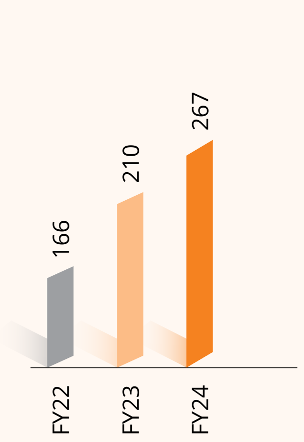
Achieve well-diversified base of lenders and investors across the world, incorporating ESG into the financial decision making.

Sustainable value creation is indispensable for the Company to flourish given the mandate to advance the financial inclusion agenda across hinterlands. Every step is directed towards the same vision keeping the future in mind. Our strong corporate governance framework has entailed financial stability and better resiliency to any external shock.

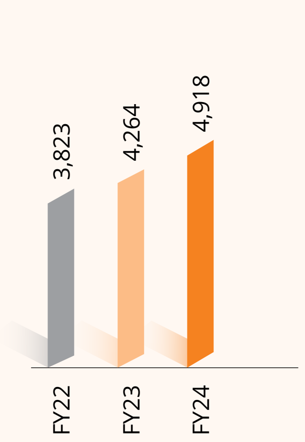
We have chosen a conscious path to grow at a consistent pace of 20-25% CAGR over the next 4-5 years keeping the quality aspect in mind. Rural India presents enormous credit-advancing opportunities that must be dealt dutifully. Being a lender to low-income households, our strength of liability franchise is paramount to fulfill the growing customer aspirations at affordable terms and be efficient in our operations to generate the right returns. In this continuous process, we have strived to become a self-sustaining engine. Our calibrated business expansion approach involves balancing growth and quality portfolio to maintain the leadership position in the industry.

The financial health of our business is traced through various KPIs in the form of Gross AUM, Active Borrowers, Opex to AUM, PPOP, ROA, ROE, Capital Adequacy Ratio, etc.

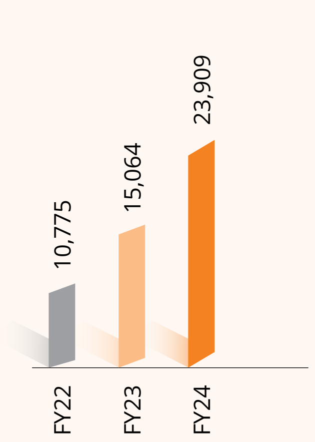
Gross AUM
₹ in Billion



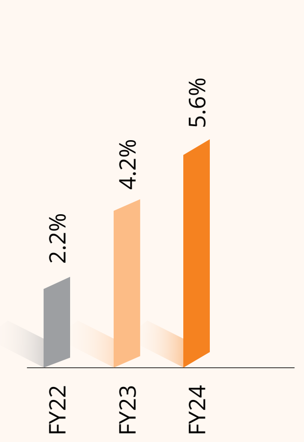
Active Borrowers
in Thousands



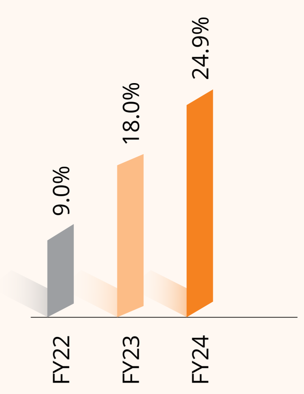
PPOP
₹ in Million



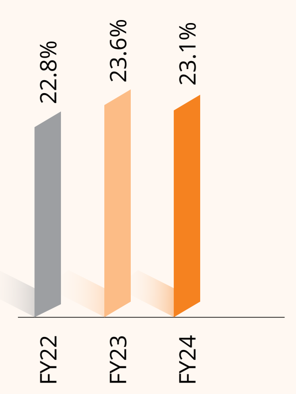
ROA (%)



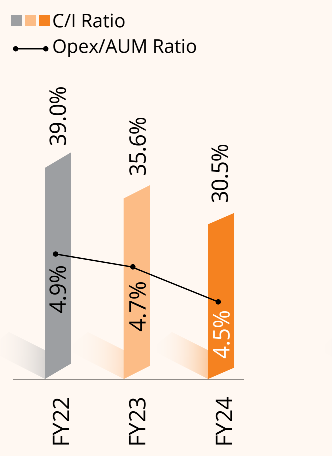
ROE (%)



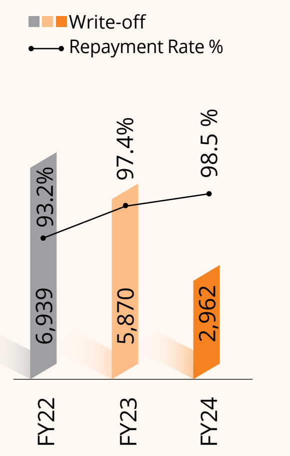
Capital Adequacy Ratio (%)



Operating Efficiency (%)



Repayment Rate & Write-off Trend
₹ in Million



Note:

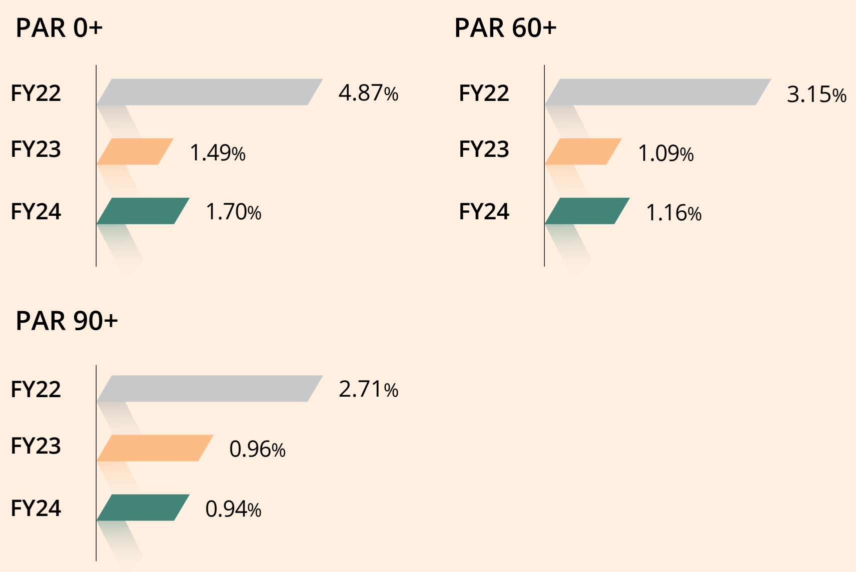
1) Gross AUM represents the aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets under management which includes loan assets held by the Company as of the last day of the relevant period as well as loan assets that have been transferred by our Company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

Efficient Business Model Leading to Strong Profitability Trajectory

The Company has once again achieved its annual performance guidance in FY24, demonstrating the confidence of the management in its execution capabilities, unique business model, and growing prospects of rural India. The gross AUM grew 27.02% YoY to reach ₹ 267.14 billion with an active borrower base of 4.92 million. We redefined many possibilities as our profitability trajectory touched newer heights given our efficient business model. We recorded a total income of ₹ 51,726.52 million and a Pre-Provision Operating Profit of ₹ 23,909.54 million while Profit after Tax increased by 75.04% to ₹ 14,459.28 million in FY24.

The quality of underwriting standards in this business determines the portfolio quality. We continue to adhere to the basics of the joint liability group (JLG) model with group training involving organizational values, followed by a re-interview and a group recognition test to revalidate. We focus on timely group meetings and strong engagement with clientele through weekly meetings leading to on-ground discipline. All these aspects are reflected in our asset quality numbers which continue to behave well as we scale our business.

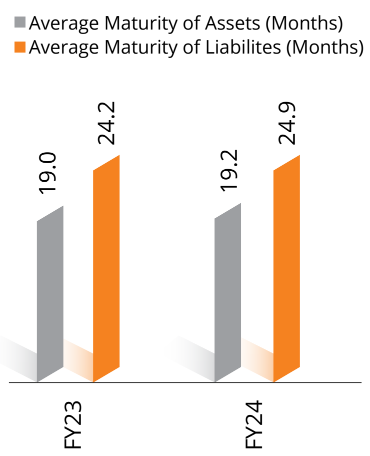
Asset Quality
(% of Gross AUM)



Asset – Liability Management

We realise the importance of a strong liability profile and accordingly have devised suitable strategies. Our robust risk management practices have helped safeguard financial stability and ensured success. We are among very few NBFCs in the country that have focussed on liability diversification via the foreign borrowing route since the beginning and the first in the NBFC-MFI segment to tap the retail NCD market. This has helped us source longer-term funds beyond three years strengthening our asset-liability position as term loans from banks (PSL funding) are co-terminus in nature.

Strong ALM Position



Our share of foreign borrowing stood at 18.0% at the end of FY24 compared to 7.6% two years back resulting in a stronger ALM position. At the end of FY24, the average maturity of liabilities stood at 24.9 months while the average maturity of assets stood at 19.2 months. We regularly conduct stress test analysis to guard against potential negative externalities.

Strong Credit Ratings

We continued to maintain the highest standalone credit rating in the microfinance industry at AA- (Stable) from all three leading rating agencies namely CRISIL, ICRA and Ind-Ra. In November 2023, we received a credit rating upgrade by CRISIL from A+ (Positive) to AA- (Stable) given our further improvement in earnings profile, controlled credit costs, and healthy capitalization levels. As we move towards the next phase of the growth story, we believe in maintaining our leadership position in the microfinance industry.

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

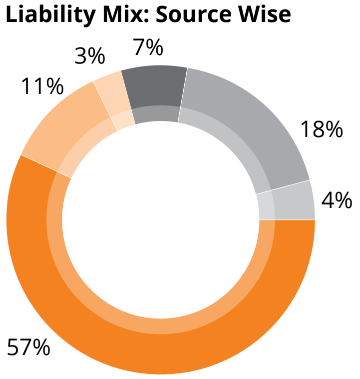
Stable and Diversified Liability Profile

The Company has a well-diversified lender base of 69 entities, including 44 banks, 15 foreign lenders, 7 NBFCs and 3 financial institutions as of March 31, 2024.

Shift In Liabilities Mix Towards Longer Tenure Funds

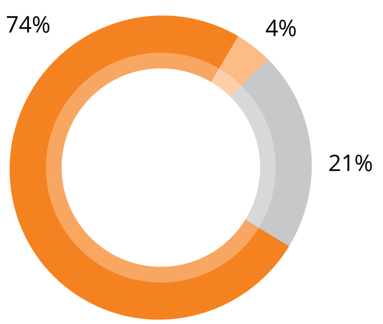
(%)

Liability Mix: Source Wise



- Banks
- Financial Institutions
- NBFCs & Others
- Domestic NCDs - Retail/HNI
- Foreign Sources
- DA/Securitisation

Liability Mix: Tenure Wise



- Long Term (> 2 Years)
- Medium Term (> 1 Year, <= 2 Years)
- Short Term (<= 1 Year)

Our proactive strategy of diversifying our liability profile has been executed very well in FY24 with the share of long-term borrowings at 74% courtesy of domestic public NCDs and foreign borrowings. We continued to garner increasing foreign funds with a USD 200 million syndicated social loan facility, the first in the Indian microfinance industry and the fourth in the country. This further helped tap new lenders across geographies including Taiwan, the Philippines, Singapore, and the Middle East. We are looking to tap the huge liquidity available in these markets at competitive rates. Our transparent disclosures and governance practices, coupled with our socially relevant business model, position us strongly to attract ESG funds from global investors in the years ahead.

Significant Progress In Mobilisation of Foreign Funds

Mobilisation of USD 247 million Foreign Funding in FY24

- USD 200 million, syndicated social loan for over 3-Year tenure
- USD 35 million, 7-Year ECB from DFC
- USD 12 million, 6 Year ECB from Water-Credit

Successful Completion of Maiden Public NCD Issuance

₹ 9,896 million raised in Tranche II in Sep-23

- Overwhelming Response with subscription of 2.53x times the base issue size of ₹ 4,000 million
  - ~36% allotment was for 24 months tenure @ 9.10%
  - ~36% allotment was for 33 months tenure @ 9.25%
  - ~1% allotment was for 50 months tenure @ 9.40%
  - 27% allotment was for 60 months tenure @ 9.70%
- Overall average tenure of 3 years @ 9.35%
- Allotment to 8,072 investors
  - Institutional: 25%
  - HNI: 20%
  - Non-Institutional: 30%
  - Retail: 25%

Economic Value Generation And Distribution

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

Economic Value Creation	FY24 (₹Million)	FY23 (₹Million)
A. Economic Value Generated		
Revenue from Operations	51,666.71	35,451.22
Other Income	59.81	56.68
Total Economic Value Generated	**51,726.52**	**35,507.90**
B. Economic Value Distributed		
Operating Cost	8,081.56	6,970.30
Employee Wages and Benefits	6,694.31	5,152.40
Payments to Capital Providers	17,324.42	12,128.84
Payment to Government	5,045.37	2,500.49
CSR Initiatives	121.67	84.02
Total Economic Value Distributed	**37,267.24**	**26,835.95**
Economic Value Retained (A - B)	**14,459.28**	**8,671.95**

Note: Reference to Profit & Loss Statement

i) Operating cost = Fee and commission expense + Impairment on financial instruments + Depreciation and amortisation expenses + Other expenses (excluding Rates & taxes & CSR expenses)

ii) Payments to Capital Providers = Finance costs

iii) Payment to Government = Rates & taxes + Income tax (current tax)

Social and Relationship Capital

Community Partnering Towards Prosperity

Interlinked SDGs

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

FY24 KPIs

4.92 million borrowers
99.98%
women borrowers

Sanitation loans disbursed over last 3 years
4,45,372

Highest comprehensive MFI grading from CRISIL
M1C1

Total CSR Spend
₹ 121.67 Million

Home improvement loans disbursed over last 3 years
10,82,440

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

Education loans disbursed over last 3 years
2,77,985

Water connection loans disbursed over last 3 years
32,586

Social Loan & Bond Framework,
certified by Sustainalytics

Strategic Focus

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

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

Future Scope

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

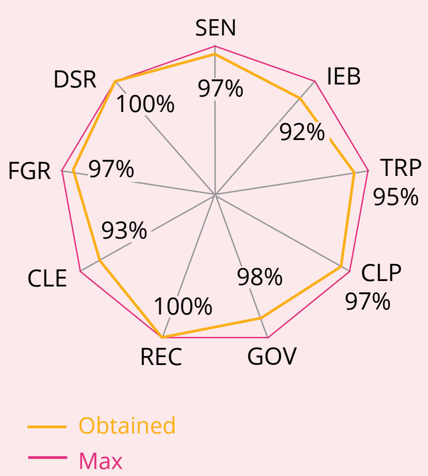
We are committed to the development of rural India where our focus lies. We truly believe in nurturing the entrepreneurship spirit of millions of low-income households by cultivating a sense of belongingness and giving them the desired opportunities through various means. We continue to strengthen the hinterland ecosystem through a holistic approach by combining the power of credit and non-credit services. Our various social performance milestones are a testament to our responsible finance approach which is ingrained in our system.

Social Performance Milestones

Comprehensive MFI Grading (COCA + Company Grading)

We not only continue to maintain the industry's highest MFI grading, 'M1C1' over half a decade but have created benchmarks in the field of responsible finance. Our board-approved fair practice code continues to be the charter in following the industry's best practices.

COCA dimension Score



SEN: Sensitive Indicators, IEB: Integrity and Ethical Behaviour, TRP: Transparency, CLP: Client Protection, GOV: Governance, REC: Recruitment, CLE: Client Education, FGR: Feedback and Grievance Redressal, DSR: Data Security

Client Protection Certification

Client Protection Principle (CPP) certification is a global standard of client protection practices in the financial inclusion space. We took the lead in the certification journey beginning in 2013 resulting a strong reputation in the market and are certified with Gold Level recognition. This signifies our longstanding commitment given our product, people, and processes (PPP) are designed keeping the client's convenience and preference in place.

Customer Relationship

The strength of our business model lies in understanding customers' needs and behaviour in a changing economic landscape. We are a firm believer in the "evolve with our customer" philosophy consistently catering to their diverse needs and fuelling innovation at work. In our bid to deepen relationship with our customers, in-house designed concept, Jagruti continues to spread awareness on various topics. With customer convenience in mind, it is available through digital mode at a time convenient to customers.

Customer Journey Assessment

Our relationship with customers necessitates a timely assessment of the awareness and satisfaction levels at each stage of the journey across various parameters. We have undertaken an external study to gauge the same for 15,478 customers across all our operating geographies. We received a customer satisfaction rate of over 98% comprising of various parameters including our staff behaviour enhancing the customer experience in building trust. Our loyal customer base customers over the years have turned into brand advocates which has helped attract more customers.

As an annual practice, we regularly connect with customers to gauge both awareness and satisfaction levels. We connected with over 2.6% of the customer base in FY24 where we saw an improvement in both our awareness and satisfaction rates.

Customer satisfaction rate of over
98%

Total awareness calls: 102,613

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

Minimum awareness level: 99.7%

Customer feedback is paramount to making refinements in existing processes, products and services. Of the 103,347 calls being made, 99% of customers informed us that they were happy, 0.7% were satisfied, and only 0.1% were unhappy with our products, processes, and the conduct of the staff.

Total feedback calls made
103,347

Customer Grievance Resolution

The Grievance Redressal Cell (GRC) is responsible for ensuring that all customer grievances are addressed. Our grievance mechanism is designed to track and report all grievances with vernacular interaction support. We received 8,516 customer calls in FY24 of which 1,516 calls pertained to grievances. Overall, 100% of grievances were resolved, out of which around 85.9% were resolved within 7 days. The cases which are not in the favour of the complainant are directed to the Internal Ombudsman officer who takes the final decision within 10 days of receiving the complaint.

Community Development

The ethos of our business lies in serving the people better with inclusivity and community engagement being the pillars. Our dedicated board-level committee offers strategic direction and oversees the performance management of CSR activities, implemented by CA India Foundation. The foundation concentrates on critical areas such as Education, Livelihood, Health, Rural Public Institution Development, and Disaster Management spanning the value chain. The primary vision is to significantly contribute to the upliftment of communities in identified geographies by providing comprehensive solutions to key developmental challenges.

We spent ₹ **121.67 million** in FY24 on various CSR activities, in line with the policy of 2% of the average net profits according to the Companies Act 2013.

FY24: CSR Initiatives	CSR Expenses (₹Million)	Institutions	Beneficiaries
Education	41.43	1,549	130,169
Livelihood Support	19.31	2	2,153
Healthcare	6.21	46	12,142
Rural Public Infrastructure Development	40.11	917	37,469
Disaster Relief & Humanitarian Aids	15.05	-	59,201
Total	**121.67***	**2,514**	**241,134**

*Net of Rs 0.4 million interest earned

CSR Focus Areas

Education

We have developed a comprehensive programme starting from the grassroots to narrow the gap for higher education access. Unlocking the latent potential of India's young population requires focused initiatives. All our efforts in the educational domain are undertaken with this vision in mind.

Rural education infrastructure

To establish a suitable infrastructure, we provide essential amenities like carpets and chairs in Anganwadis, followed by essential furniture,water dispensers, sports kits, mathematics kits, water storage tanks, etc. at primary and higher-primary schools.

Training programme

Our interactive education programme known as Sushikshana tries to inculcate good WASH (water, sanitation) habits, better finance management, and career guidance among young adults. The main objective of this initiative is to impart life skills to complement the traditional curriculum, with 1,350 sessions being provided in FY24.

Scholarship programme

Grameen Vidya Pratibha is designed for the girl child to ensure continuous learning post-class 10th. Emphasizing support for female students is crucial, as it not only empowers them but also contributes to reduced gender inequality, improved health outcomes, and increased economic growth. These scholarships alleviate financial burden and also covers expenses like books, housing, and transportation, inspiring students to excel academically. Over 940 scholarships have been provided in this financial year.

Self-learning centres

These learning centres are designed to drive curiosity and open learning among children in the age group of 6-16 years. The centres have integrated learning with technology, to facilitate easy access and flexibility, thereby enabling a holistic learning environment. Over 475 children have been enrolled in this initiative.

Livelihood

Empowering beneficiaries through skill-based training enables them to tread a path of self-reliance either through entrepreneurship or employment channels. Our target is to complete the spectrum by touching all age groups from 6 years to adulthood. We have partnered with several institutions along the same lines.

Skill development training

With ICICI Academy for Skills, we are providing scholarships for eligible trainees' accommodation and travel-related costs to pursue both technical and non-technical courses. 172 rural youth through this assistance has been employed with BFSI, Retail, BPO, and Manufacturing/Services sectors.

In collaboration with Swades Foundation, over 500 youth between the age group of 18-35 years have been provided training on various aspects. This intervention will help the rural youth become self-sustainable by upskilling themselves and making them change agents of rural India.

General duty assistance training

With Sambhav Foundation and Kherwadi Social Welfare Association, we have created livelihood opportunities for 284 underprivileged youth through a dedicated training programme focussing on general duty assistance in hospitals. The programme comprising classroom training and on-the-job training helps integrate theoretical and practical classes, with a strong emphasis on hands-on training. Workshops, guest lectures, and practical placements in nearby hospitals and clinics will be provided across targeted areas to help enhance the overall learning experience and make prospective candidates market ready.

Specially abled training

In a tie-up with the Coorg Foundation, we provide training and rehabilitation services to beneficiaries between the age group of 6-40 years. The programme encompasses training according to their aptitude in income generation programs and providing corrective therapies.

Healthcare

We are dedicated to fostering awareness of crucial healthcare aspects and constructing robust infrastructure helping safeguard the well-being of all. This helps empower communities with the resources and knowledge necessary to lead healthier lives.

Mobile health clinics

We have focused on healthcare and cancer screening facilities through the initiative named "Health & Wellness Centre on Wheels", enabled in partnership with Jivika Healthcare. Each specialized mobile van will consist of trained medical staff, testing kits, diagnostic equipment, and consumables for over 20 communicable and non-communicable diseases.

We tied up with the Indian Cancer Society to facilitate the early detection of cancer among underprivileged people across the hinterlands. Also, awareness camps were organized especially for Asha and Anganwadi workers.

9,928 beneficiaries got **62,885** medical screening & testing

89 beneficiaries suspected of early-stage cancer

Rural health infrastructure improvement

We supported 46 rural healthcare centres with need-based infrastructure materials in the form of wheelchairs, stretchers, water purifiers, etc.

Animal healthcare camps

We sponsored the expenses borne for conducting animal health camps by the University of Agricultural Sciences, Bengaluru. Over 2,000 animals were treated via deworming, infertility treatment, and vaccinations benefitting 1,060 farmers.

Rural Public Infrastructure Development

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

We have provided support to **917** institutions benefitting **37,469** beneficiaries and the general public visiting the institution

Disaster Relief & Humanitarian Aid

Given our robust last-mile connectivity, we have been supporting the local communities in cases of cyclones, floods, earthquakes, fire incidents, etc through grocery kits. As a result, we reached out to over 59,000 beneficiaries reflecting our commitment to social responsibility. We have also established a comprehensive state-of-the-art kitchen facility in Kozhikode by supporting Udayam Homes, a place for the homeless population.

Human Capital

Unlocking Opportunities, Elevating Local Talent

Interlinked SDGs

We are an equal-opprtunity employer promoting gender equal work culture and employment opportunities.

Our customized learning and development platforms help unlock employee potential, empowering them to advance professionally and personally.

FY24 KPIs

New employee hires
13,294

Confirmed employees turnover
30.82%

Employees availing parental leaves
548 (517 paternity leaves)

Number of manhours of training
1.82 million

Average training hours per employee
57 hours

% of women workforce
16.41%

Number of employees (including probationary & trainee)
19,395

% of young workforce (18-35 years)
93.18%

% of employees receiving regular performance and career development reviews
60.78%

% of employees from local community:
96.46%

"Great Places To Work" Certified for
5th
consecutive year

Strategic Focus

To foster a high-performance, value-driven culture, providing continuous learning and growth opportunities for employees that align with organization's strategic goals.

Future Scope

Empower our human capital by equipping them with required knowledge and skills that align with emerging opportunities and our growth plans.

Intent and integrity are the foundation of our human capital selection that has given positive outcomes for both the company and the community we serve. Our grounded employees are more receptive to innovations and understand customer needs. We consciously create an ecosystem where employees focus on service quality ensuring deeper customer engagement. One of the most important aspects of the collection business is to drive a common DNA among employees. Over 90% of our field staff being freshers belong to rural local communities where we serve.

Our philosophy of 'Promoting from Within' has helped us build the supervisory layers organically fostering a culture of growth and loyalty. This has further helped us maintain a consistent culture across the organization. Our unique talent acquisition strategy, coupled with employee engagement initiatives, upskilling programs and our commitment to being an equal opportunity employer brings out the best in each employee. These initiatives have helped us maintain a high level of employee satisfaction, as a result, we are certified "Great Places To Work – Certified®" for the 5th consecutive year. We are also ranked amongst India's Top 25 Best Workplaces in BFSI 2024.

Our strategy is simple:

Making employees owners of their success. This has helped create extraordinary performances from ordinary people.

Udaya Kumar Hebbar
Managing Director

Geographical Employee Distribution

Employees	FY24		FY23	
State	Employees	Female %	Employees	Female %
Karnataka	4,404	13.56%	3,978	10.38%
Maharashtra	3,366	16.52%	2,949	9.66%
Madhya Pradesh	1,721	5.52%	1,528	0.79%
Tamil Nadu	3,533	30.37%	3,246	23.94%
Chhattisgarh	487	20.33%	454	17.40%
Odisha	754	16.18%	683	7.03%
Jharkhand	453	6.84%	412	3.88%
Rajasthan	806	12.16%	668	11.08%
Bihar	1,351	7.92%	1,021	1.57%
Gujarat	528	7.95%	462	7.58%
Uttar Pradesh	793	8.20%	598	2.51%
Kerala	484	43.39%	428	32.24%
Puducherry	45	20.00%	41	2.44%
Goa	14	14.29%	8	0.00%
West Bengal	520	11.54%	283	2.83%
Andhra Pradesh	86	18.60%	-	-
Telangana	50	0.00%	-	-
Total	**19,395**	**16.41%**	**16,759**	**11.44%**

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

Elevating Local Talent

Microfinance has a powerful impact at a community level by not just providing credit but also employment opportunities. To bring an overall development to the community we serve, we practice 'Community Hiring' prioritising customer and employee referrals for our field roles vacancies.

96.46%
of employees from the local community (hired from native state)

1,038
internal job promotions were offered in FY24

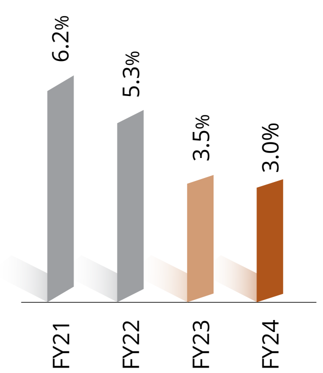
Hiring Cost of
₹ 3,956/ FTE

After integrating the young field force into our system, we train them to adopt best practices, which are further reinforced in the field by our culture champions. Our strong internal job promotion policy helps maintain a uniform culture across the organization including the newer geographies. We have crafted our own culture which acts as a strong force in every situation. Our product and policies are designed to match customer's evolving needs without compromising on our processes. Our incentive policy has been constructed accordingly ensuring process adherence at all courses by the field force. The factors determining incentives are - i) The number of active customers served, ii) The number of new customers trained and converted, iii) The branch audit grade, and iv) The branch asset quality.

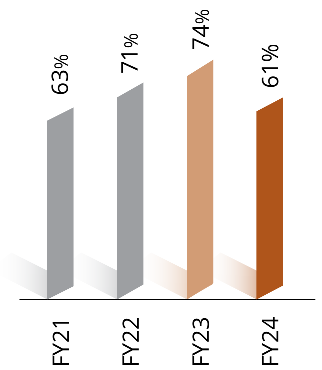
Employee Well-being

Our Benefits, Rewards, and Recognition strategy goes beyond the traditional structure, offering a more well-rounded program supporting both personal and professional milestones. We have benefits ranging from wedding gifts, child gifts, to performance incentives, annual performance bonuses, and employee stock ownership schemes. All full-time employees are eligible for earned leave, paternal leave, LTA, gratuity, annual increments, provident fund, and staff loans amongst other benefits. Insurance facilities like ESIC/Medical/Life/Hospitalisation/Accidental are provided to employees.

Employees under ESOP Scheme %



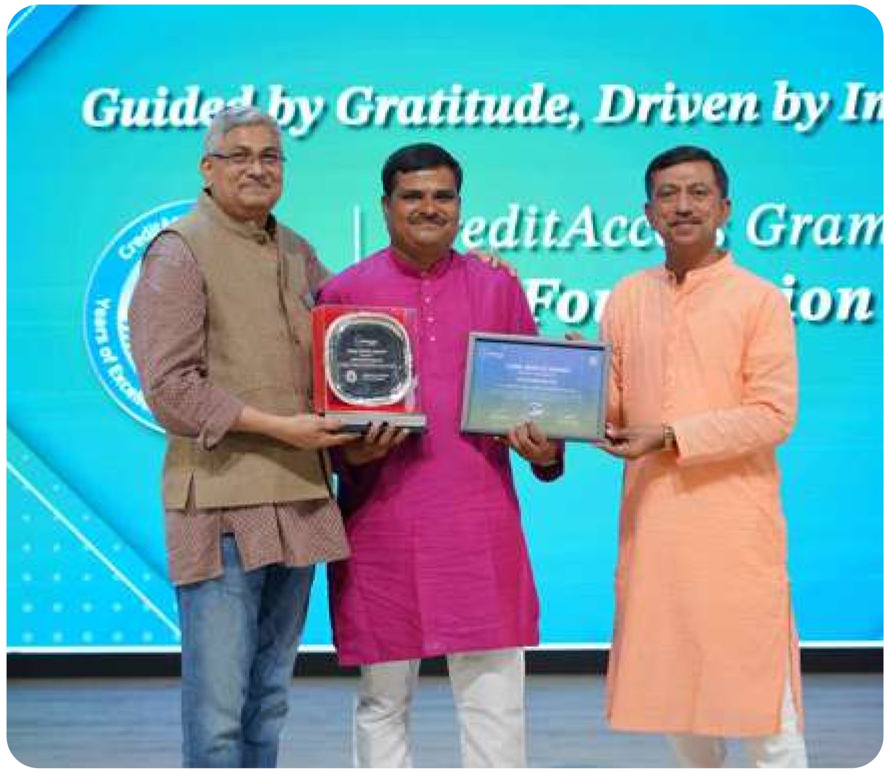
Employees receiving performance and career development reviews %



Employee Health & Safety

We prioritize employee well-being through a series of wellness initiatives like health checkups, yoga sessions, blood donation camps, and sports tournaments. Mental wellness holds a prominent place in our discussions, with all branches being provided with an in-person training on how to manage stress, ways to maintain a healthy lifestyle, etc. We also provide helpline numbers of NGOs working in this domain to all branches.

In microfinance operations, the "high-touch high-tech" model necessitates frequent travel under varying weather conditions. To prioritize the safety of our staff and the communities we serve, we constantly emphasize the importance of road safety. This includes awareness around critical practices like wearing helmets, the importance of regularly servicing the vehicle, Do's & Don'ts while riding on rural roads, and a pledge covering key aspects of road safety. Road Safety also forms an integral part of our comprehensive Internal Audit list. We launched a week-long road safety campaign reiterating critical aspects of road safety through multiple platforms like desktop wallpapers, screensavers, WhatsApp blasts, daily mailers, branch trainings, etc. Additionally, we have made it mandatory for all field employees to complete a road safety course on LMS, further emphasizing our commitment to health and safety in our operational ethos.



CA Grameen Award Categories

At CA Grameen, we firmly believe in honouring our employees' contributions with meaningful recognition. Through our Long Service Awards, we celebrate the dedication and loyalty of longstanding team members who have completed 10 and 20 years of service with CA Grameen playing a key role in shaping the Company's success. Our achievement award also seeks to celebrate exceptional performances by employees and their children in various fields.

Employee Upskilling

We strongly believe commitment to continuous learning is key to success. By making significant investments in employee upskilling, we foster a growth mindset that drives cutting-edge performance. Our highly experienced and specialised training team of 72 members delivers a comprehensive role-based training curriculum through instructor-led classroom modules and digital modes. All field staff who join the CA Grameen family undergo a rigorous 14-day training covering functional, cognitive, and behaviour aspects. The training also covers critical modules like POSH (Prevention of Sexual Harassment), CoC (Code of Conduct), CPP (Client Protection Principles), ESMS (Environmental and Social Management System) and Gender Equality helping set cultural fundamentals. Short capsule trainings are conducted regularly to familiarise with new products/services nuances. To support our culture of 'Promoting from within', newly promoted

1.82 million
manhours of training

7,889
employees virtually trained covering various aspects like roles, responsibilities, products, processes, controls, field technology applications, RBI guidelines etc.

28,542
employees during the year took self-learning courses on our E-Learning Portal

14,660
new employees trained under work place safety induction initiative

leaders are put through customised training that helps them effectively transition into their new roles and responsibilities.

Through our CA Grameen Patashala initiative, we provide our employees with a plethora of academic and advanced upskilling programs in collaboration with leading institutes in India. These programs range from Certification courses to Graduation program, where 50-100% of the course fee is reimbursed back to employees. Our performance enhancement program helps employees excel by identifying their areas of improvement through knowledge/skill gap assessments, offering personalized training, refresher programs and handholding sessions.

We offer online learning library services to our employees which provides access to an extensive collection of books, magazines, audiobooks, e-books, and other self-learning resources. Employees can borrow & return books online conveniently from their workplace. Through our 'People Management Program (PMP)' & 'Excellence Leadership Program (ELP)', we equip leaders with essential skills and strategies to unlock their leadership potential and excel in their professional journey. The program focuses on building their ability to think strategically and align team goals with organisational goal.

Leveraging People Analytics

Data analytics plays a crucial role in guiding our decisions related to talent acquisition, boosting employee efficiency, and nurturing their development journey. We employ people analytics to refine our talent management strategies and enhance overall business performance. 'Training need analysis' forms an integral part of our performance evaluation process, identifying individual learning needs and enabling customized training programs. Employee retention is our priority as we don't believe in the culture of lay-offs. We take a collaborative approach to human capital management and work with employees to find suitable internal opportunities that leverage their skills.

We have a systematic approach to budgeting and staffing, ensuring the right balance of field and non-field employees. Our automated manpower tracker 'MANTRA' offers real-time manpower status at branch, area, and regional levels enabling data-driven workforce management. It provides an overview of manpower distribution by role and geography, including offer letters rolled out and a net gap in staffing. We regularly benchmark our compensation with the industry, ensuring that our pay scales remain competitive.

Employee Grievance Redressal Mechanism

We believe employee satisfaction fuels customer satisfaction and hence work towards cultivating an environment that acknowledges employee needs and offers optimal support. We have established a robust mechanism for reporting, tracking, and resolving employee grievances. The Grievance Redressal Cell (GRC) is a crucial step in this direction, towards offering a secure platform for employees to voice their grievances confidentially without any fear of reprisal. GRC ensures that grievances are resolved promptly in a transparent manner by collaborating with relevant department heads through a well-defined escalation matrix. Additionally, our HR Head conducts regular reviews of our grievance-handling procedures to ensure their effectiveness and responsiveness.

We champion human rights through stringent due diligence, which includes regular visits to branches by management, head office, and regional teams. Each branch is required to display important information on the prohibition of child labour, specified working hours, employee grievance redressal helpline, amongst others on the branch notice board.

To address issues related to sexual harassment, we have set up a dedicated Internal Complaints Committee

Number of parental leaves takenby employees: **548** (94% were paternity leaves)

(ICC) in accordance with the POSH Act. Our employees undergo regular trainings on the Prevention of Sexual Harassment (POSH) to ensure an inclusive and harassment-free workplace.

	FY24			FY23		
Grievances & Queries	**HR Queries**	**Payroll Queries**	**Grand Total**	**HR Queries**	**Payroll Queries**	**Grand Total**
Open	0	0	0	0	3	3
Responded	287	243	530	378	851	1,229
Closed	47	50	97	36	85	121
Total	**334**	**293**	**627**	**414**	**939**	**1,353**

Employee Diversity and Inclusion

We embrace diversity as an integral part of our culture. We have employees hailing from different parts of the country working together in harmony. Our Recruitment and selection policies prioritize diversity as the focal point of the hiring process. We use inclusive gender-neutral language across our advertisements, job descriptions, and application forms to attract a diverse pool of applicants from all backgrounds. Our interview panel consists of individuals with diverse backgrounds and opinions. Such a heterogeneous panel creates a comfortable environment for candidates ensuring greater diversity amongst hired candidates.

At CA Grameen, we practice role-based compensation that is fair and aligned with Industry. We maintain gender equity and pay parity across all levels by ensuring that fixed salaries of male and female employees in the same role are comparable. We follow a band-wise bell curve ensuring leadership ratings alone are not protected. The natural progression of top performers into leadership roles reflects the transparency of our internal review process.

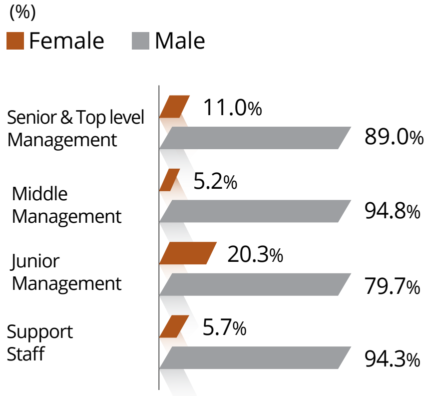
% of Young Workforce (18-35 years):
93.18%

% of Female Workforce:
16.41%

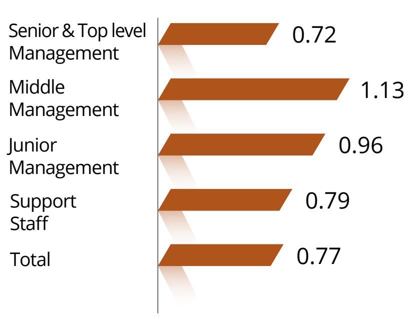
Female Workforce in non-field roles:
34.78%

As of March 2024, the breakdown of employees by management band is as follows: Support Staff (0.2%), Junior Management (74.1%), Middle Management (25.1%), Senior and Top Management (0.7%).

Gender Parity Across Employee Grades



Fixed CTC Ratio Across Employee Grades*



*The Fixed CTC Ratio equals the ratio of the average fixed salary of female to male employees at a particular employee grade.

Gender Action Plan

At CA Grameen we constantly build awareness and reiterate the importance of eliminating unconscious bias. Our policies, benefits, and practices are designed to enhance the workplace experience for female employees, leading to an increase in female work force from 8.69% in FY22 to 16.41% in FY24. Our targeted gender actions and growing female-employee ratio demonstrate our unwavering commitment toward gender equality.

- A Flexible Work Arrangement
- B Inclusive Policies
- C Diversity-focused Recruitment Practices
- D Transparent Communication
- E Career Development Opportunities

We have implemented several targeted interventions for women including a relaxed posting and transfer policy, menstrual leave, drop facilities, sanitary pad vending machines, health camp for women, and maternity leave options amongst other.

The share of women workforce increased from **8.69%** in FY22 to **16.41%** in FY24, against target of **16.00%** by FY26

Manufactured Capital

Enabling Last-Mile Presence

Interlinked SDGs

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

FY24 KPIs

Pan India presence in
16
states and
1
union territory

1,967
branches across
383
districts

1
leadership training centre
21
regional/divisional offices & processing centres

Strategic Focus

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

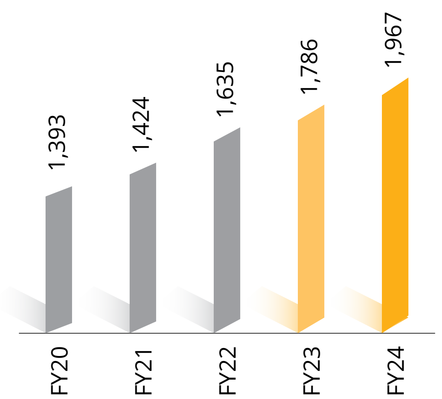
Future Scope

Strengthen physical infrastructure reach with the help of digital solutions.

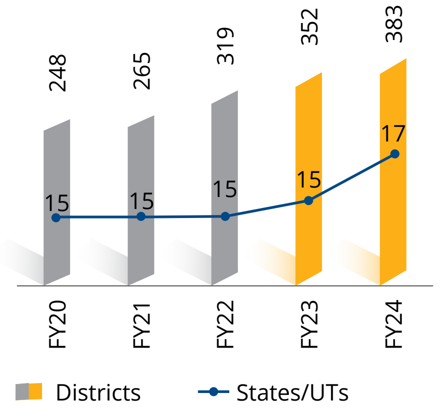
Branch expansion in the microfinance business is a crucial instrument in advancing the financial inclusion agenda by sourcing new customers for sustainable growth. We follow a contiguous district-based expansion approach with a presence across 16 states (Andhra Pradesh, Bihar, Chhattisgarh, Goa, Gujarat, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh & West Bengal) and one union territory (Puducherry) through 1,967 branches. Hence, entering a new state is incidental to entering the adjoining district and crossing the state border.

We have grown our branch network at 9% CAGR over the past five years as shown below.

Branch Network



Expanding Presence



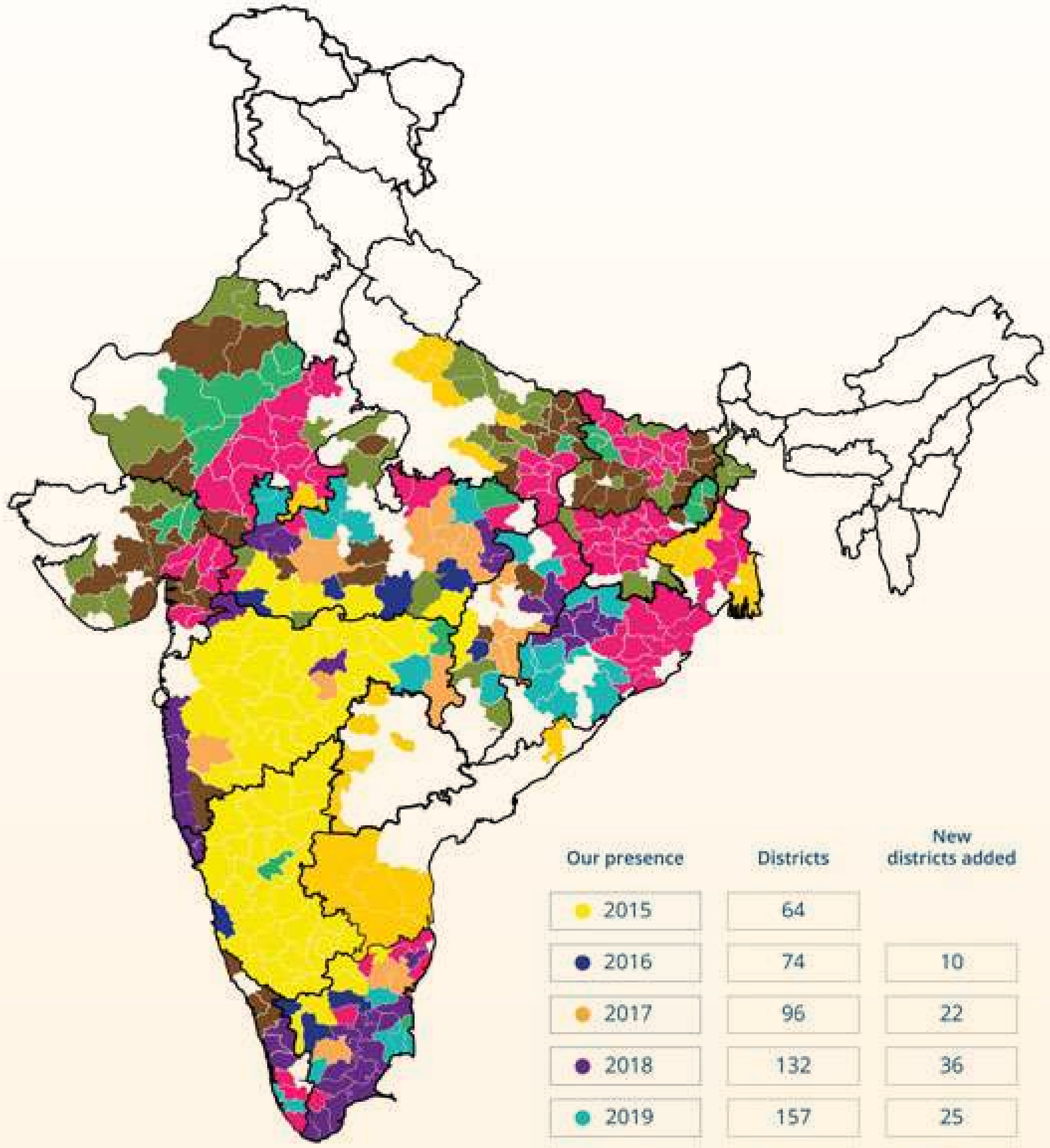
Given 25 years of presence in this business, our branches are in various growth stages visible in the adjacent table at the end of FY24. Our time-tested contiguous approach, involving expansion to nearby areas with similar socioeconomic and cultural backgrounds has yielded scale and geographical diversification. This approach has not only saved costs but helped replicate the same quality, and better controls eventually leading to lower operating costs. We utilise staff from existing branches while foraying into newer districts ensuring effective transfer of knowledge and culture. We have carefully set up our rural branches in uncrowded markets with a livelihood-based economy having better resilience to economic shocks.

Years of Operation	As of FY24
<=3 Year	572
3 - 5 Year	398
>=5 Year	997
Total Branches	**1,967**

We follow 5-6 branches per district concept with each branch having an operating radius of 25-30 km.

Out of a total of 383 districts, 94% of districts individually account for < 1%, and 84% of districts individually account for <0.5% of the gross AUM respectively. Our prudent risk management strategy of district-level exposure limits provides a cushion against localised economic downturns.

Below is the representation of CA Grameen's contiguous branch expansion.



Our presence	Districts	New districts added
2015	64	
2016	74	10
2017	96	22
2018	132	36
2019	157	25
2020	248	91
2021	265	17
2022	319	54
2023	352	33
2024	383	31

Intellectual Capital

Providing Convenient Tailor-Made Financial Solutions

Interlinked SDGs

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

FY24 KPIs

1.7
products per customer

88%
customer retention rate

1.36 million
new customers digitally onboarded

₹ 7,945.22 Million
cashless collections

4.0%
of total collections

325,712
AEPS cash withdrawals amounting to
₹ 1,055.13 Million

First MFI
to integrate world standard core banking solution

15,354
branch audits performed, with
96%
of branches having
>80%
audit compliance

Strategic Focus

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

Future Scope

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

Technology is a strong enabler in delivering superior financial products and services across the rural hinterlands through a "high touch – high tech" model that we are adopting. Considering the literacy levels and technology adoption at the bottom of the pyramid, we keep developing innovative technology solutions. A highly agile technology stack is imperative that can quickly respond to evolving customer/market requirements without disrupting customer service standards.

In the same spirit, we have upgraded our core banking solution helping meet future requirements. The upgrade experience was a test of the spirit of our endurance. The entire roadmap of upgrades was designed by looking at the volume of transactions and diversification aspects in our business profile. We are currently handling over 2.5 million transactions every day. The upgrade project was concurrently executed while ensuring limited impact on the ongoing business.

Key benefits of CBS upgrade:

- Improved stability and robustness of the CBS platform leading to higher scalability
- Enhanced functional flexibilities like
  i) travel optimisation through centre meeting scheduling.
  ii) managing advance collections, part payments and part pre-closures with an ability to realign loan installments / tenures
- Retail Finance will benefit from flexible product configurations / customizations leading to faster go-to-market
- Enhanced digital initiatives leveraging the API banking opportunities
- Improved decision-making and risk management
- Continued support in the form of access to recent updates/feature releases

We have also implemented a business rule engine to automate credit decisions while introducing new products given the new microfinance guidelines demand treating households as an entity. The rule engine would enable better underwriting standards through an analytical approach.

Key Initiatives to Enhance Customer Experience and Engagement:

Key Initiatives	Outcomes in FY24
Cashless Collections	• Achieved ₹ 7,945.22 million cashless collections, averaging ₹ 662.10 million per month
Digital Customer Onboarding	• Digitally onboarded 1.36 million customers after processing 2.89 million applications
Process Enhancements	• Data as a Service, through the implementation of enterprise service bus, enhanced with more APIs • Data Platform initiatives like data marts, do-it-yourself dashboards, and business intelligence • Upgradation of core banking solution to the latest version, with enhanced functional features • Single sign-on implementation and enhanced infosec capabilities • Expanding RPA across multiple functions, achieving accuracy with improved turn-around time
Retail Finance Products	• Individual Unsecured Loan: 29,263 loans disbursed, ₹ 509.00 million AUM • Secured Business Loan: 1,966 loans disbursed, ₹ 1,509.03 million AUM • Two-wheeler Loan: 2,176 loans disbursed, ₹ 181.89 million AUM • Affordable Housing/Home Improvement Loan: 609 loans disbursed, ₹ 283.22 million AUM
Non-Credit Solutions	• Grameen Pay: 3,25,712 AEPS-enabled cash withdrawal transactions worth ₹ 1,055.12 million across 718 branches, 3,40,718 mini statement balance inquiries • Hospicash (wage-loss insurance): 2,19,648 members enrolled with a 4.69% conversion rate

Natural Capital

Embracing Sustainability

Interlinked SDGs

Organization's operational and CSR activities in environmental sustainability.

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

FY24 KPIs

Loans compliant with internal ESMS framework & IFC performance standards

Scope 1 Emissions Intensity
0.01 tCO2e/FTE

Scope 2 Emissions Intensity
0.22 tCO2/FTE

Scope 3 Emissions Intensity
0.67 tCO2/FTE

Energy Intensity
12.94 GJ/FTE

Strategic Focus

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

Future Scope

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

We are cognisant that prolonged shifts in weather patterns have an adverse impact on environmental conditions. Financial institutions need to be at the forefront to drive meaningful change toward sustainable living given our position as capital allocators. Hence, we continue to focus on deepening the supply of credit in rural India where low-income households need to build stronger resilience against climate change impact. Our unique lending model, helps our customers to initiate diverse entrepreneurial activities having a positive socio-environmental impact. We have contributed to achieving sustainable development goals and creating resiliency in communities facing a higher burden of climate change. In addition to credit support, we actively engage with end communities through our CSR initiatives to help them improve their ecological habitat.

We are continuously assessing our operating practices to reduce our carbon footprint through various energy efficiency measures to be implemented over the medium to long term. We have been consistently urging our stakeholders towards behavioural change through consultation and partnership. Our initial step in this direction involves the discontinuation of tissue paper and plastic bottles at all office premises. We have completed digitalisation of our field processes leading to a reduction in paper consumption. We are currently in the process of implementing a route optimisation project which aims to leverage the geo-tagged locations of our customers for streamlining field travel and reducing both travel time and distance. This marks an important project for us to be able to ascertain the emission reduction targets over the medium to long term.

We continue to encourage our suppliers on adherence to sustainable practices. During FY24, we reached out to our critical & significant suppliers and requested them to sign a declaration agreeing to comply with our Vendor Code of Conduct. Around 81% of the suppliers signed the declaration urging them to follow all laws of the land including laws on environmental sustainability. The declaration confirms that the supplier organisations are taking appropriate measures to minimize the impact on the environment, biodiversity, and climate change. By engaging with our suppliers, we aim to foster stronger relationships and partnerships that can lead to a more sustainable and resilient supply chain.

Emissions Footprint

With an aim to become a climate-positive NBFC-MFI institution, we have been actively measuring our greenhouse gas (GHG) inventory, covering Scope 1, Scope 2, and Scope 3 emission (business travel) categories. This process has helped us to ascertain various drivers impacting our emission footprint. Leveraging the baseline information on our emission footprint, we are planning to develop a low-carbon transition plan and a decarbonization strategy over the next two years. The emission data for FY24 will act as the baseline for us to establish emission reduction targets in line with the SBTi methodology and the country's goals. Our Scope 1, 2, and 3 emissions have been calculated under the GHG Protocol.

CA Grameen GHG Inventory	FY24	FY23
Scope 1		
Scope 1 emission - Company-owned Vehicles (tCO2e)	41.04	36.43
Scope 1 emission - Diesel consumption in DG sets (tCO2e)	9.31	7.41
Scope 1 emission - Refrigerant Leaks & Fire Extinguisher (tCO2e)	73.93	100.67
Total Scope 1 Emission (tCO2e) *	**124.29**	**144.51**
Scope 2		
Purchased grid electricity (GJ)	21,590	20,422
Scope 2 emission - Purchased grid electricity (tCO2e)	4,294.04	4,061.79
Total Scope 2 Emission (tCO2e) **	**4,294.04**	**4,061.79**
Total Emission (Scope 1+2) (tCO2e)	**4,418.34**	**4,206.30**
GHG Emissions Intensity (Scope 1+2) per FTE ***	**0.23**	**0.31**
Scope 3		
Scope 3 emission - Air Travel (tCO2e)	180.12	136.12
Scope 3 emission - Train/Metro (tCO2e)	22.78	14.42
Scope 3 emission – Bus (tCO2e)	104.60	71.29
Scope 3 emission – Cab (tCO2e)	390.78	250.26
Scope 3 emission – Auto (tCO2e)	27.95	19.83
Scope 3 emission – Bike (tCO2e)	12,263.87	8,321.43
Total Scope 3 Emission (tCO2e) *****	**12,990.11**	**8,813.36**
GHG Emissions Intensity (Scope 3) per FTE ***	**0.67**	**0.65**

* Our Scope 1 includes emissions from company-owned vehicles, emissions from diesel used in DG sets in our Head Office, HVAC systems (fugitive emissions) and fire extinguishers. The emission factors for owned vehicles and DG sets are sourced from GHG Protocol's Cross-sector tool and we have used the fuel-based method for calculating the emissions. The month-wise fuel consumption data is extracted from the Finance & Accounts Department, which handles monthly accounts and billing. The emission factors for HVAC systems are sourced from DEFRA 2023 and we have used the Simplified Material Balance Method for calculating the emissions.

** Scope 2 emissions constitute CO2 emissions from grid electricity consumed by our branches and head office. The emission factors have been taken from Central Electrical Authority (CEA) CO2 Baseline Database for the Indian Power Sector, Version 19. The company has applied weighted average emission factor of Indian Grid (including renewable sources), which is 0.716 tCO2/MWh, in FY24 as compared to emission factor of Indian Grid (excluding renewable sources), which is 0.81 tCO2/MWh, applied in FY23. Accordingly, the FY23 scope 2 emission workings have been restated after applying emission factor of 0.716 tCO2/MWh.

For FY24, we have captured the actual electricity units from the respective branch/regional/head office electricity bills.

For FY23, the Grid electricity consumed has been estimated from branch-wise electricity bills and state-wise tariff charges. For estimation, we take a random sample of electricity bills from each state and compute the fixed charges/duties/tax components. We then compute the discount factor [(1-fixed charges/duties/taxes) / total bill amount], which is later multiplied with each electricity bill amount and the resultant is divided by the average state-wise tariff. The average state-wise tariff is computed by taking the simple average of slab-wise tariff rates. We assume that each state-wise tariff used overall reflects the unit charge for each branch in that state.

*** FY24 emission indicators are computed for the entire 1,967 branches and 19,395 employees.

FY23 emission indicators are computed for 1,319 branches (out of total 1,786 branches) and 13,641 employees (out of a total of 16,759 employees), excluding the branches and employees acquired from Madura Micro Finance Limited subsequent to its merger with the Company in February 2023.

**** We have calculated our Scope 3 business travel emissions related to various modes of travel - air, auto, bus, train, metro, bike and hired cabs, with emission factors sourced from the Indian GHG Program. The following emission factors have been considered: 1) Bike travel: KMs travelled by field staff on bikes (125cc, 200cc) are subject to an emission factor of 0.0417 kg CO2/km. 2) Car travel: KMs travelled by field staff on a car (petrol sedan <2500cc) are subject to an emission factor of 0.163 kg CO2/km in FY24 as compared to 0.176 kg CO2/km @10 uplift factor applied in FY23. Accordingly, aligning with FY24, the FY23 emissions from car travel have been restated. 3) Bus travel: KMs travelled derived from bus fares and subject to an emission factor of 0.015161 kg CO2/pax-km 4) Auto travel: KMs travelled derived from auto fares and subject to an emission factor of 0.10768 kg CO2/pax-km 5) Train/ Metro travel: KMs travelled derived from train/metro fares (revised methodology adopted in FY24 and accordingly restated for FY23) and subject to an emission factor of 0.007976 kg CO2/pax-km 6) Air travel: KMs travelled derived based on the distance between origination and destination and subject to emission factor of 0.121 kg CO2/pax-km in case of domestic travel and 0.08263 kg CO2/pax-km in case of international (long haul) travel in economy class.

TCFD Disclosures

Task Force on Climate-Related Financial Disclosures

ESG & Climate Governance

Board Governance

CA Grameen focusses on continuous improvement in Environmental, Social, and Governance (ESG) performance and sustainability practices. The robust governance structure, involving senior management and Board of Directors oversight, ensures effective integration of ESG issues into our core business strategies. We have comprehensive ESG policy framework to periodically measure the Company's sustainability performance and progress. On an annual basis, the senior management thoroughly reviews all the policies under the ESG framework, subject to approval from the Board of Directors.

The Company's CSR & ESG Committee actively tracks the progress against the stated ESG objectives. The committee ensures timely identification of risks and opportunities across various ESG aspects and devises necessary action plans and targets to mitigate such risks and build on the opportunities. The Company updates the committee on sustainability (ESG) initiatives in quarterly ESG reports. For details of the composition and attendance of the CSR & ESG Committee refer to Page 145 of the Corporate Governance Report.

The Risk Management Committee (RMC) assists the Board with oversight of strategies, policies, and procedures related to the management of all types of risks. This includes promoting appropriate risk culture in the Company, assessing the Company's risk profile and key areas of risk, including sustainability & climate-related risks. For details of the composition and attendance of the Risk Management Committee refer to Page 146 of the Corporate Governance Report.

Management Level Governance

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

ESG & Climate Strategy

Incorporating E&S Considerations into our Lending

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

We measure and disclose greenhouse gas (GHG) emissions with full transparency, along with obtaining GHG Assurance from a third party. The subject matter, procedures performed, and limited assurance conclusion are presented in the Independent Assurance Report attached at the end of this report.

We anticipate starting the process of developing a low-carbon transition plan in FY25, with the aim of aligning it with the Science Based Targets initiative (SBTi). We are currently in the process of implementing route optimisation project which shall help us ascertain the measurable reduction in our Scope 3 (business travel) emissions.

ESG & Climate Risk Management

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

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

As we look to the future, our commitment to sustainability and resilience drives us to proactively address climate-related risks and seize emerging opportunities. To this end, CA Grameen is embarking on a comprehensive climate risk assessment journey in the upcoming year. We are in the process of developing a roadmap which includes a detailed evaluation of both physical and transition risks, as well as an exploration of the opportunities that a shifting climate landscape may present. Our proactive stance on climate risk assessment and management will not only safeguard our operations but also empower the communities we serve to thrive amidst the challenges posed by climate change.

Key Risks To Be Monitored

Risk	Context
Current Regulation	MFIs are regulated by The Reserve bank of India. In cognisance of this, we are committed to continuously measuring, disclosing, and enhancing our environmental performance to fulfil the environmental obligations and stakeholder expectations towards supporting sustainable growth. This is addressed through our ESMS and ESG Policy which incorporate current regulations as well as internationally accepted standards and good practices and are regularly updated in response to emerging risks and regulations.
Emerging Regulation	Regulators and government bodies across the world are setting higher standards for companies for increased transparency and disclosures. In the Indian context, effective from May 10, 2021, the BRSR is an updated ESG framework was mandated by SEBI for the top 1,000 companies. Further on July 12, 2023, SEBI introduced BRSR Core disclosures (limited set of KPIs) with a requirement of mandatory reasonable assurance. A glide path is prescribed for applicability of BRSR Core disclosures and assurance, starting with the top 150 listed entities (by market capitalization) from FY23-24 onwards and extended to the top 1,000 listed entities (by market capitalization) by FY26-27 onwards.
Technology	The Company has successfully digitized all customer touchpoints by equipping the field force with handheld tabs enabling automated/paperless customer onboarding, faster KYC verification, instant credit bureau checks, automated loan applications, managing centre meetings, paperless collection process, automated flow of collection entries to branch level reconciliation, and same day loan disbursements. The Company recently upgraded the core banking solution which will enable various functional flexibilities and operational efficiencies. We intend to keep up with the technological advancements and plan to leverage more on low-carbon technology to help mitigate risks associated with it.
Legal	We ensure that lending products comply with all environmental laws in the country. There were no instances in which the Company was directly held responsible for any climate-related litigation. Our operations do not create significant amounts of GHG emissions. The credit line that we extend to our customers is used to finance livelihood generation activities in climate-smart agriculture, agroforestry, natural resource management, and water conservation. In fact, 100% of our credit portfolio has a positive socio-environmental impact. So, at present, we do not perceive the legal risk of climate change as material to our business.
Market	Changes in investor behaviour associated with the transition to a lower-carbon and more sustainable economy expose the Company to material market transition risks. The Company intends to tackle these potential climate-related market risks with strong ESG performance, continual engagement with stakeholders, and by being an early adopter of global sustainability initiatives.
Reputation	CA Grameen is India's largest microfinance institution, serving 4.92 million customers. Any reputational risk will challenge our ability to retain or acquire new investors, customers, and employees, which in turn, will impact performance. We are committed to complying with all relevant climate regulations and regularly reviewing our practices to ensure that we are operating in an environmentally responsible manner.
Acute Physical	CA Grameen has 1,967 branches across 16 states and 1 union territory with 19,395 employees as of March 31, 2024. With the drought, flood, and uneven rainfall increasing throughout India due to climate change, such acute physical events could have a significant impact on the Company's branch operations, operating costs, employee health and welfare. The Company has in place a Business Continuity Plan (BCP)/Disaster Recovery Plan (DRP) in times of such unforeseeable events. These risks also pose significant credit risks resulting in monetary loss to the Company due to default or non-repayment of a loan by a borrower. Historically, MFIs have showcased their ability to imbibe learnings from any adverse events and have risen to the occasion during testing times. The occurrence of natural disasters has large implications on the environment and affects the livelihood and economic activities of the people at the bottom of the pyramid. The self-regulatory organization MFIN is conducting pilots to launch natural catastrophe insurance cover for microfinance borrowers. Such initiatives can help tide over the ill effects of natural disasters. Further, diversification at the district level will help contain the exposure to such natural disasters and effectively manage the impact. In such instances, it is important for the MFI players to continue providing financial support to the affected borrowers and communities which can help them build resilience and rebound back to normalcy.
Chronic Physical	The change in precipitation patterns, rainfall deviation, change in cropping patterns, recurring droughts, desertification etc. have a direct impact on our portfolio which is almost exclusively microfinance. Chronic physical risk impacts the loan book exposure in specific geographies exposed to such risks.

Task Force on Climate-related Financial Disclosures Index

Disclosure		Page Number
Governance	a) Describe the board's oversight of climate-related risks and opportunities	145
	b) Describe management's role in assessing and managing climate-related risks and opportunities	68, 69
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	36, 70
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	68, 69
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks	68, 69
	b) Describe the organization's processes for managing climate-related risks	69, 70
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Best Small NBFC 2023 by Mint

Innovation Hero Award 2024 by Temenos

MFI of the Year 2023 by The Global Inclusive Finance Summit

Best Core Banking Technology Implementation 2024 by The Asian Banker

Risk Management Team of the Year 2024 by India Fraud Risk Management Summit

Best CFO of the Year 2023 in the NBFC Category by Assocham

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Independent Assurance Report

BDO India LLP
The Palm Springs Plaza
Office No. 1501-8, 15th Floor
Sector-54, Golf Course Road
Gurgaon-122001, Haryana
INDIA

Independent Assurance Statement

To

Credit Access Grameen Limited
No. 49, 46th Cross, 8th Block,
Jayanagar, (Next to Rajalakshmi Kalayana Mantap)
Bengaluru 560070, Karnataka
India

Independent Assurance Statement on non-financial disclosures in Integrated Annual Report (IAR) for the financial year 2023-24.

Introduction and objective of engagement

CreditAccess Grameen Limited (the 'Company') has developed its Integrated Annual Report 2023-24 ('IAR' or 'the 'Report') based on the principles of the Integrated Reporting (<IR>) Framework published by the International Integrated Reporting Council (IIRC).

BDO India LLP (BDO) was engaged by the Company to provide independent assurance on non-financial sustainability disclosures in the report for the period 1st April 2023 to 31st March 2024.

The Company's responsibilities

The content of the Report and its presentation are the sole responsibilities of the Management of the Company. The Company's Management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement.

BDO's responsibility

BDO's responsibility, as agreed with the Management of the Company, is to provide assurance on the non-financial information of the Report as described in the 'Scope & boundary of assurance' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance a third party may place on the Report is entirely at its own risk.

Assurance standard and criteria

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".

We applied the criteria of **'Limited' Assurance** for non-financial information of the Report.

Scope & boundary of assurance

We have assured non-financial information of the Report, pertaining to the Company's performance for the period 1st April 2023 through 31st March 2024.

The reporting scope and boundary cover the Company's operations.

Assurance methodology

Our assurance process entailed conducting procedures to gather evidence regarding the reliability of the disclosures covered in the assurance scope.

We conducted a review and verification of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/omission of relevant information/data in the Report. Our review process included the following steps:

- Evaluation and assessment of the appropriateness of the quantification methods used to arrive at the non-financial/sustainability information of the Report;
- Review of consistency of data/information within the Report as well as between the Report and source;
- Engagement through discussions (virtual) with personnel at corporate level who are accountable for the data and information presented in the Report;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and management procedures, and related internal controls.

Inherent Limitations

There are inherent limitations in an assurance engagement, including, for example, the use of judgment and selective testing of data. Accordingly, there are possibilities that material misstatements in the sustainability information of the Report may remain undetected.

Exclusions

The assurance scope specifically excludes:

- Data and information outside the defined reporting period (1st April 2023 to 31st March 2024);
- Review of the 'economic and/or financial performance indicators' included in the Reports or on which reporting is based; we have been informed by the Company that these are derived from the Company's audited financial records;
- The Company's statements and claims related to any topics other than those listed in the 'Scope and boundary of assurance';
- The Company's statements that describe qualitative/quantitative assertions, expression of opinion, belief, inference, aspiration, expectation, aim or future intention.

Our observations

The sustainability disclosures of the Company, as defined under the 'Scope and boundary of assurance', are fairly reliable. The Company should ensure that all material topics are addressed in the report, for example, Waste Management.

We noted that the Company has estimated only Category 6 emissions under Scope 3 GHG emissions. The company needs to evaluate their other relevant scope 3 categories for the purpose of disclosure.

Though we observed transparency and availability of data, the company may put in place a robust data management system for further strengthening accuracy of respective ESG data presented in the Report.

Our conclusions

Based on the procedures performed, nothing has come to our attention that causes us not to believe that the disclosures of the Company is presented fairly, in all material respects, in accordance with the relevant reporting guidelines/standards.

Our assurance team and independence

BDO India LLP is a professional services firm providing services in Advisory, Assurance, Tax, and Business Advisory Services, to both domestic and international organizations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organization. This team is comprised of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems, and processes across sectors and geographies. As an assurance provider, BDO India LLP is required to comply with the independence requirements set out in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For BDO India LLP

Indra Guha
Partner| Sustainability & ESG
Business Advisory Services
Gurugram, Haryana
11 July 2024

BOARD'S REPORT

Board's Report

To
The Members
CreditAccess Grameen Limited
Bengaluru

The Directors have pleasure in presenting the 33rd Report of Board of Directors of CreditAccess Grameen Limited ("Company"/ "CA Grameen") together with the Audited Financial Statements, both on a Consolidated and Standalone basis, for the Financial Year ended March 31, 2024. Unless otherwise specifically mentioned, all the numbers provided in this report are standalone figures.

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Company for the year ended March 31, 2024 have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III to the Act, as amended from time to time and applicable guidelines issued by SEBI. The audited consolidated financial statements have been prepared in compliance with the Act, Ind AS 110 Consolidated financial statements and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Financial Results

(₹ in Million)

Particulars	Consolidated		Standalone	
	FY2024	FY2023	FY2024	FY2023
Total income	51,726.52	35,507.90	51,726.52	35,507.55
Finance cost	17,324.42	12,128.84	17,324.42	12,128.84
Net income	**34,402.10**	**23,379.06**	**34,402.10**	**23,378.71**
Total operating expenses	10,492.56	8,314.62	10,492.56	8,314.62
Pre-provisioning operating profit	**23,909.54**	**15,064.44**	**23,909.54**	**15,064.09**
Impairment on financial instruments	4,517.69	4,010.21	4,517.69	4,010.21
Profit before tax	**19,391.85**	**11,054.23**	**19,391.85**	**11,053.88**
Profit after tax	**14,459.28**	**8,260.60**	**14,459.28**	**8,260.26**
Other comprehensive income	(146.90)	84.11	(146.90)	84.11
Total comprehensive income	**14,312.38**	**8,344.71**	**14,312.38**	**8,344.37**
Basic Earnings Per Share (EPS) (in ₹)	90.88	52.04	90.88	52.04
Diluted Earnings Per Share (DPS) (in ₹)	**90.41**	**51.82**	**90.41**	**51.81**

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

SUBSIDIARY'S FINANCIALS:

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

2. KEY MILESTONES

Issue of Non-Convertible Debentures (NCDs)

During the year under review, the Company had successfully raised ₹ 9,896 million, by way of Public Issue of Secured NCDs having a face value of ₹ 1,000 each, which were allotted on September 07, 2023 and listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

The NCD Tranche II Issue had a base Issue size of ₹ 4,000 million with an option to retain oversubscription up to ₹ 6,000 million aggregating up to ₹ 10,000 million, which was within the shelf limit of ₹ 15,000 million. The Tranche II Issue received a subscription of ₹ 10,120 million i.e. 2.53x of the base Issue size.

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

3. DIVIDEND

The Board of Directors aims to grow the business lines of the Company and enhance the rate of return on investments of the shareholders. Commemorating silver-jubilee during FY24, the Board of Directors recommend a one-time final dividend of ₹ 10 per equity share of face value of ₹ 10 each on the fully paid-up equity shares of the Company, for the year ended March 31, 2024, to those equity shareholders whose name appear on the register of members as on the record date fixed by the Board of Directors of the Company.

In line with Regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy which sets out the parameters in determining the payment / distribution of dividend.

The said Policy is available on the Company's website at https://www.creditaccessgrameen.in/wp-content/uploads/2022/05/CreditAccess-Grameen_Dividend-Distribution-Policy.pdf

4. TRANSFER TO RESERVES

The Company has transferred ₹ 2,891.86 million to statutory reserve out of the net profit for FY24 and ₹ 30,110.68 million is the accumulated balance in Retained Earnings Account (Profit and Loss account and comprehensive income) as at March 31, 2024.

5. SHARE CAPITAL

During the year under review, the Company had allotted 4,70,524 shares to the employees who exercised their stock options granted under CAGL Employees Stock Option Plan- 2011.

The paid-up Equity Share Capital of the Company as at March 31, 2024 stood at ₹ 1,594 million.

As on March 31, 2024, 3,68,100 stock Options were held by Mr. Udaya Kumar Hebbar, Managing Director, which are convertible into equity shares upon exercise of the same. Except as mentioned above, none of the Directors of the Company held any instruments convertible into equity shares of the Company.

6. DIRECTORS

As on the date of this report, the Board of Directors comprised of 8 (eight) Directors, out of which four are Independent Directors, including two Women Directors. The composition of the Board is in line with the requirements of the Act, the Listing Regulations and the applicable RBI Regulations. The Directors possess vast knowledge, necessary experience, skills and ability in various functional areas relevant to the Company's business, which has aided / continues to aid in strengthening the policy decisions of the Company. The details of the Board, its Committees, areas of expertise of Directors and other details are available in the Report on Corporate Governance, which forms part of this Integrated Annual Report. The terms and conditions of appointment of Independent directors are available on the website of the Company at https://www.creditaccessgrameen.in/wp-content/uploads/2022/07/CreditAccess-Grameen_Terms-of-Appointment-of-Independent-Directors_Policy.pdf

i. Changes in Directors and Key Managerial Personnel (KMP) during FY24

There was no change in the Board of Directors or Key Managerial Personnel during the period under review, except as below:

Name	Nature of change	Effective date
Mr. Udaya Kumar Hebbar	Re-designated as Managing Director (from MD & CEO)	August 01, 2023
Mr. Ganesh Narayanan	Re-designated as Chief Executive Officer (from Deputy CEO & CBO)	August 01, 2023

Further, the Board of Directors in its Meeting held on May 7, 2024 has recommended re-appointment of Mr Manoj Kumar as Independent Director for a second term of 5 (five) years.

In the opinion of the Board, Mr. Manoj Kumar fulfils the requirements for being re-appointed as an Independent Director as laid down under Section 149(6) of the Act, Regulation 16 of the Listing Regulations along with the 'fit and proper' criteria as per the applicable RBI guidelines on Corporate Governance.

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

ii. Directors retiring by Rotation

Mr. Sumit Kumar, Nominee Director shall retire by rotation and being eligible, offers his candidature for re-appointment as per the provisions of the Act, at the ensuing Annual General Meeting of the Company.

iii. Declaration from Independent Director

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

iv. Policy on Board Diversity

The Company recognizes and embraces the importance of diverse Board in its success and has put in place a Policy on Board diversity. The said Policy as approved by the Board is available on the Company's website https://www.creditaccessgrameen.in/wp-content/uploads/2024/04/CreditAccess-Grameen_Board-Diversity-Policy_March_2024.pdf

The highlights of the said Policy are given below:

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

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

v. Compensation Policy for Directors, KMPs and Senior Management

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

The said Policy lays down principles for fixing the remuneration/compensation to attract and retain the best suitable talent on the Board and Senior Management of the Company as per the criteria formulated by the Nomination and Remuneration Committee of the Board. This Policy also enumerates the practices and procedures to be followed by the Company in adopting the remuneration payable to its Directors, Key Managerial Personnel (KMPs) and Senior Management.

Further, the sitting fees payable to Non-Executive Directors and commission payable to Independent Directors are in accordance with the said policy, which is available on the Company's website at https://www.creditaccessgrameen.in/wp-content/uploads/2023/08/CreditAccess-Grameen_Policy-on-Remuneration-to-Directors-KMP-Senior-Management.pdf

vi. Evaluation of Board, its Committees and Individual directors

The Nomination & Remuneration Committee had engaged an external agency to conduct Board Evaluation for FY24. The evaluation of all individual Directors, Committees, Chairman of the Board, and the Board as a whole, was conducted based on the criteria and framework adopted by the Nomination & Remuneration Committee in this regard.

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

vii. Meetings of the Board

During FY24, the Board of Directors of the Company met 5 (Five) times. The details of the meetings are given in the

Report on Corporate Governance. Necessary quorum was present for all the meetings. Further, the maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act.

viii. Committees of the Board

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

6. AUDITORS AND AUDITORS' REPORT

a. Joint Statutory Auditors

M/s PKF Sridhar & Santhanam LLP ("PKF"), one of the Joint Statutory Auditors of the Company, would be completing their tenure of 3 years by the conclusion of ensuing Annual General Meeting ("AGM"). In view of the same, the Board of Directors at its meeting held on October 20, 2023, in accordance with the RBI Guidelines for Appointment of Statutory Auditors dated April 27, 2021, ('RBI Guidelines') and provisions of Section 139 read with Section 141 of the Act and such other applicable provisions, if any, had appointed M/s Walker Chandiok & Co. LLP ("Walker Chandiok"), Chartered Accountants, (Firm Reg. No. 001076N/N500013) as one of the Joint Statutory Auditors of the Company to hold office for a period of 3 years from the conclusion of ensuing AGM, subject to the approval of shareholders.

Accordingly, Walker Chandiok and M/s. Varma & Varma will be the Joint Statutory Auditors of the Company for FY 2024-25 and FY2025-26.

Further, there are no qualifications, reservations, adverse remarks or disclaimers made by the Joint Statutory Auditors in their report on the Annual Financial Statements (Stadalone & Consolidated) for FY24.

b. Secretarial Auditors

The Board of Directors had appointed M/s M. Damodaran & Associates LLP, Practising Company Secretaries as the Secretarial Auditors for FY24. The Secretarial Audit Report issued by the Secretarial Auditors in the prescribed Form MR-3 is annexed to this Report as **Annexure II.** There are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditors in their Report.

c. Cost Auditors

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

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

Pursuant to Section 143(12) of the Act, the Joint Statutory Auditors and the Secretarial Auditors of the Company have not reported any instances of material frauds committed in the Company by its officers or employees.

However, a few instances of cash embezzlement are reported under Note No. 43(v) of the Annual Financial Statements.

8. CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

9. CREDIT RATING

During FY24, the Company improved its credit rating from A+ Positive outlook to AA- Stable Outlook by CRISIL. Both India Ratings & Research and ICRA maintained the AA-Stable rating. The rating upgrade from CRISIL is primarily owing to substantial improvement in the Company's earnings profile and controlled credit costs.

It demonstrates the high reputation and trust the Company has earned for its sound financial management and its ability to meet all its financial obligations. The current ratings also factor in the company's industry-leading franchise in the Non-Banking Financial Companies - Micro Finance Institutions (NBFC-MFI) segment, improving asset quality backed by sound risk management processes and healthy capitalization.

The credit ratings for various instruments of the Company as at March 31 2024 are given below:

Name of Credit Rating Agency	Type of Instrument	Rating as on March 31, 2024	Rating as on March 31, 2023
ICRA Ltd	Long Term Debt	[ICRA]AA- Stable	[ICRA]AA- Stable
ICRA Ltd	Non-Convertible Debentures	[ICRA]AA- Stable	[ICRA]AA- Stable
ICRA Ltd	Commercial Paper	(ICRA)A1+	(ICRA)A1+
ICRA Ltd	Subordinate Debt	[ICRA]AA- Stable	[ICRA]AA- Stable
CRISIL Ratings	Long Term Debt	CRISIL AA- Stable	CRISIL A+ Positive
CRISIL Ratings	Non-Convertible Debentures	CRISIL AA- Stable	CRISIL A+ Positive
India Rating and Research Pvt. Ltd.	Long Term Debt	IND AA- Stable	IND AA- Stable
India Rating and Research Pvt. Ltd.	Principal Protected Market Linked Debenture	(IND) PP-MLD AA- Stable	(IND) PP-MLD AA- Stable
India Rating and Research Pvt. Ltd.	Non-Convertible Debentures	IND AA- Stable	IND AA- Stable

Further, the Comprehensive Microfinance Grading by CRISIL for the Company as on March 31, 2024 is 'M1C1'. CRISIL's Comprehensive Microfinance Capacity signifies highest capacity of the MFI to manage its operations in a sustainable manner and Excellent performance on Code of Conduct dimensions. The grading is assigned on an eight-point scale with respect to Microfinance Capacity Assessment Grading, with 'M1' being the highest grading, and 'M8', the lowest and on a five-point scale with respect to Code of Conduct Assessment, with 'C1' being excellent performance, and 'C5', the weakest.'

10. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

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

11. INTERNAL AUDIT

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

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

12. INTERNAL FINANCIAL CONTROLS

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

13. RISK MANAGEMENT POLICY

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

14. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 read with Schedule VII to the Act, the Company has constituted a CSR Committee (renamed as CSR & ESG Committee effective March 23, 2022) which apart from ESG matters, reviews and recommends *inter-alia* (a) the policy on Corporate Social Responsibility (CSR) including changes thereto, (b) Annual CSR Activity Plan including CSR Budget and (c) CSR Projects or Programs for implementation by the Company as per its CSR Policy. In accordance with the applicable provisions of Section 135 of the Act and the CSR policy of the Company, the Company contributes 2% of average net profits made during the preceding three financial years to CreditAccess India Foundation ("CAIF"), Implementing Agency for undertaking CSR activities on behalf of the Company. The CSR policy of the Company is available on the website of the Company https://www.creditaccessgrameen.in/wp-content/uploads/2024/04/CreditAccess-Grameen_Corporate-Social-Responsibility-Policy_V5.pdf

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

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

The Company has established a whistle blower mechanism under which the Directors and employees may report any unethical behaviour, actual or suspected fraud, violation of the Code of Conduct including that of Insider Trading or other policies, any other illegal activity occurring in the organization. In exceptional cases, directors or employees can raise their concerns directly to the Chairman of the Audit Committee. During the year under review, the Company had received sixteen complaints through this mechanism. However, based on verification it was found that the complaints were in the nature of staff grievances and resolved accordingly. The Whistle-Blower Policy (Vigil Mechanism) of the Company is available on the website at https://www.creditaccessgrameen.in/wp-content/uploads/2023/09/Credit-Access_Grameen_Whistle-Blower-Policy_V3.pdf

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

17. RELATED PARTY TRANSACTIONS

All the Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Details of Related Party Transactions as required under Indian Accounting Standard (Ind AS-24) are reported in Note 37 forming part of Standalone Financial Statements. As required under the applicable provisions of the Act, details of related party transactions in the Form AOC-2 is given in **Annexure IV**. There were no materially significant related party transactions having potential conflicts with the interests of Company during FY24. The Policy for determining Material Subsidiaries and Related Party Transaction Policy are available on the website of the Company at https://www.creditaccessgrameen.in/governance/policies/

18. HUMAN RESOURCE MANAGEMENT & EMPLOYEE RELATIONS

The significance of human capital in any organization cannot be overstated, particularly in a financial services organization such as ours where a large portion of employees are at the frontline servicing customers. Successful delivery of our services is dependent on striking the right balance between providing excellent customer service and meeting performance targets. Our Company is committed to fostering a culture of positive attitude and superior service amongst our employees.

Policies related to Human Resources are employee friendly and support an environment that fuels accomplishment and satisfaction. The Company continues to provide structured trainings and seamless growth opportunities actively driving business performance.

The Company also provides performance-linked incentives for process adherence and portfolio quality thereby promoting right behaviour and sustainable growth.

19. PARTICULARS OF EMPLOYEES

As on March 31, 2024, the Company had 19,395 employees. The details required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing *inter-alia,* the ratio of remuneration of each Director and Key Managerial Personnel to the median employee's remuneration are attached as **Annexure V(i).**

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

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

There are no material changes and commitments between the end of FY24 and the date of this report, affecting the financial position of the Company.

21. REPORT ON CORPORATE GOVERNANCE

Pursuant to the Listing Regulations, a separate section titled **'Report on Corporate Governance'** has been included to this Integrated Annual Report. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct as applicable to them, for FY24. A declaration to this effect signed by the Chief Executive Officer of the Company forms part of the Report on Corporate Governance.

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

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

22. MANAGEMENT DISCUSSION AND ANALYSIS

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

23. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

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

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

The Company has 3,183 women employees in various cadre as on March 31, 2024. The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace ("POSH policy") and an Internal Committee, in line with the requirements of the POSH Act and the Rules made thereunder for reporting and conducting inquiry into the complaints made by the victim of the sexual harassments at the workplace. The functioning of the said Committee is in line with the provisions of the POSH Act. The details of complaints received under POSH Act forms a part of Business Responsibility and Sustainability Report.

25. FAIR PRACTICES CODE

The Company has in place a Fair Practices Code ("FPC") as approved by the Board, in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers enabling them to take informed decisions. The FPC is available on the website of the Company at https://www.creditaccessgrameen.in/wp-content/uploads/2024/01/CreditAccess-Grameen_Fair-Practices-Code_RBI-Directions-on-MFI-Loans_January-2024_v5.pdf

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

26. CUSTOMER GRIEVANCE

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

27. ANNUAL RETURN

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

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

a. Information Relating to Conservation of Energy, Technology Absorption

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

b. Foreign Exchange Earnings and Outgo

During the year under review, the Foreign Exchange earned in terms of actual inflows was ₹ 20,375.42 million and Foreign Exchange outgo in terms of actual outflows was ₹ 22,68.14 million.

29. DEPOSITS

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

30. EMPLOYEES STOCK OPTION PLAN

The Nomination & Remuneration Committee administers CAGL Employees Stock Option Plan - 2011 ("Company's ESOP Plan"), formulated by the Company, from time to time.

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

Sr. No.	Particulars	Remarks
1.	Number of Options outstanding at the beginning of the year	24,24,244
2.	Number of Options granted during the year	7,59,800
3.	Number of Options vested during the year	5,09,375
4.	Number of Options exercised during the year	4,70,524
5.	Number of shares arising as a result of exercise of Options	4,70,524
6.	Number of Options forfeited / lapsed during the year	39,166
7.	Exercise price (in ₹)	27/39.86/63.9/84.47/120.87/786.91 /595.68/902.59
8.	Money realized by exercise of Options	₹ 150.56 million
9.	Number of Options outstanding/ in force at the end of year	26,74,354
10.	Number of Options exercisable at the end of year	7,90,254
11.	Total number of Options available for grant	8,16,400
12.	Variation of terms of Options	NA

Employee-wise details of Options granted to;

1. Senior Managerial Personnel – 2,34,300
2. Any other employee who receives a grant of options in any one year amounting to five percent or more of options granted during that year: - Not Applicable
3. Identified employees who were granted options during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant – Nil
4. Diluted Earnings per Share- ₹ 90.41/-
5. Total consideration received against issuance of ESOP shares under the Plan- ₹ 150.56 million

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

Further, the Company confirms except for changes approved by the shareholders vide Resolution passed on August 25, 2023, there has been no change to the Company's ESOP Plan during FY24. However, a few amendments are proposed to the Company's ESOP Plan and is placed for approval of the members in the ensuing Annual General Meeting ("AGM") scheduled on August 12, 2024, the details of which are provided in the Notice of 33rd AGM of the members of the Company.

31. SCALE BASED REGULATIONS

Pursuant to RBI circular on 'Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs' dated October 22, 2021, as amended from time to time the Company was categorised as NBFC-Middle Layer ("NBFC'ML") and it continues to be under the same category till date.

32. OTHER DISCLOSURES/CONFIRMATION

During the year under review:

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

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

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

d. Pursuant to the Act and Listing Regulations, a separate Meeting of the Independent Directors was held on October 19, 2023, without the attendance of Non–Independent Directors and Members of the Management.

33. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

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

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

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

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

34. ACKNOWLEDGEMENT

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

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

Place: Bengaluru
Date: May 07, 2024

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

George Joseph
Chairman
DIN: 00253754

Annexure I

AOC-1

Salient features of the Financial Statement of Subsidiaries

Part-A: Subsidiaries:

(₹ in Lakhs)

Sr. No.	Particulars	Details
1	Name of the subsidiary	CreditAccess India Foundation
2	Date since when subsidiary was acquired/ incorporated	May 29, 2021
3	Reporting period for the subsidiary concerned, if different	N.A.
4	Reporting currency and Exchange rate as on March 31, 2024	N.A.
5	Share Capital	1.00
6	Reserves & Surplus	1.23
7	Total Assets	13.92
8	Total Liabilities	11.69
9	Investments	Nil
10	Turnover/Total Income	1,223.79
11	Profit/(Loss) Before Taxation	0.37
12	Tax Expenses	Nil
13	Profit / (Loss) after Taxation	0.37
14	Proposed Dividend	Nil
15	Extent of shareholding (in %)	100%

Part-B: Associates and Joint Ventures: Nil

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

Place: Bengaluru
Date: May 07, 2024

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

George Joseph
Chairman
DIN: 00253754

Annexure II

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel)
Rules, 2014 and Regulation 24A (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015])

To

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024** ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

i) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - not applicable during the audit period;

k) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - not applicable during the audit period.

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

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

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

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

During the audit period, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no other specific observations requiring any qualification on non-compliances.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive and Independent Directors. There was no change in the composition of the Board of Directors during the audit period.

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

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

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

We further report that during the audit period, the Executive, Borrowings and Investment Committee of the Board of Directors of the Company, inter-alia, had;

a. considered and approved, at its meeting held on 18th August, 2023, the Public Issue of Secured, Rated, Listed, Redeemable Non-Convertible Debentures ("NCDs") of face value of ₹ 1,000 each for an amount of ₹ 400 crores ("Base Issue Size") with a Green Shoe Option of up to ₹ 600 crores, amounting to ₹ 1,000 crores which was within the shelf limit of ₹ 1,500 crores.

b. allotted 98,95,794 Secured, Rated, Listed, Redeemable Non-Convertible Debentures of face value of ₹ 1,000 each for cash at par, aggregating to ₹ 989.58 crores, on Public Issue basis, in its meeting held on 7th September, 2023.

c. allotted 4,70,524 Equity Shares of ₹ 10/- each under CAGL Employees Stock Option Plan- 2011 on various dates.

We further report that during the audit period, the Board of Directors of the Company, at its meeting held on 19th January, 2024, inter-alia, had;

a. considered and approved the proposal for raising funds through Public Issue of Non-Convertible Debentures in domestic market up to ₹ 2,000 crores in different tranches.

b. considered and approved Grant of 7,59,800 Stock Options to eligible employees under CAGL Employees Stock Option Plan – 2011, based on the approval & recommendation of Nomination & Remuneration Committee of the Board.

We further report that during the audit period, the shareholders of the Company, inter alia, had passed the following Special Resolutions at the Annual General Meeting held on 25th August, 2023, for;

a. increasing the borrowing limits of the Company from the existing limit of ₹ 20,000 crores to ₹ 30,000 crores outstanding at any point of time as per Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013

b. amending the CAGL Employees Stock Option Plan-2011 as per Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013.

c. amending the Articles of Association of the Company, empowering the Debenture Trustees to nominate a Director on the Board, in accordance with the stipulation under Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as per Section 14 and all other applicable provisions of the Companies Act, 2013.

We further report that during the audit period, the Company has redeemed the Redeemable Non-Convertible Debentures, upon full payment of the Principal amount along with the interest, on various dates.

Place: Chennai
Date: 03.05.2024

For **M DAMODARAN & ASSOCIATES LLP**
M. Damodaran
Managing Partner
FCS No.: 5837
COP. No.:5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837F000305257

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

Annexure - A
Disclaimer Certificate

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

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

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

For **M DAMODARAN & ASSOCIATES LLP**

Place: Chennai
Date: 03.05.2024

M. Damodaran
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TNO06000
PR 3847/2023
ICSI UDIN: FO05837F000305257

Annexure III

ANNUAL REPORT ON CSR ACTIVITIES

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

1. Brief outline on CSR Policy of the Company:

CreditAccess India Foundation ("CAIF") is a wholly-owned Subsidiary of the Company, which was incorporated in the year 2021 under Section 8 of the Companies Act, 2013, with the purpose of implementing the CSR activities of the Company and other Companies in the Group. CAIF is a not-for-profit company having a tax exemption status under Section 80G & 12A of Income Tax Act, 1961. Since 2021, CAIF has been successfully working with the Company in implementing various non-financial activities in the focus theme areas of healthcare, education, livelihood, environment, and rural development across operational areas of the Company.

2. Composition of CSR Committee:

The CSR committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The composition of CSR committee as at the end of FY24 is as under:

Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Udaya Kumar Hebbar	Chairman	4	4
Mr. Massimo Vita	Member	4	4
Mr. Manoj Kumar	Member	4	4
Ms. Lillian Jessie Paul	Member	4	4

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

a. CSR Committee: https://www.creditaccessgrameen.in/governance/committees-of-the-board/

b. CSR Policy: https://www.creditaccessgrameen.in/csr/csr-policy/

c. CSR projects approved by the Board: https://www.creditaccessgrameen.in/csr/csr-activities/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable

5. CSR Obligation for FY24

(in ₹)

(a)	Average net profit of the company as per sub-section (5) of section 135.	**5,97,50,27,741**
(b)	Two percent of average net profit of the company as per sub-section (5) of section 135.	**11,95,00,539**
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
(d)	Amount required to be set-off for the financial year, if any	Nil
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	**11,95,00,539**

6. Details of CSR amount spent during FY24:

(in ₹)

(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	**12,16,69,826**
(b)	Amount spent in Administrative Overheads	Nil
(c)	Amount spent on Impact Assessment, if applicable	Nil
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	**12,16,69,826**

(e) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of ransfer	Name of the Fund	Amount	Date of Transfer
12,16,69,826*	NA	NA	NA	NA	NA

** In addition to the above, CAIF had also spent the interest amount earned to the tune of ₹ 4,34,592 on the amount contributed by the Company*

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

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	**11,95,00,539**
(ii)	Total amount spent for the Financial Year	**12,16,69,826**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**21,69,287**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	21,69,287

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2022-23	Nil		-			-	
2	2021-22	1,82,12,435	Nil	1,82,12,435*	Nil	-	-	-
3	2020-21	1,81,28,407		1,81,28,407*		-	-	-

* *Spent during respective subsequent Financial Year*

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

☐ **Yes** ☑ **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.

- Not applicable

Annexure IV

FORM AOC-2

Sl. No.	Particulars	Details	
1	Name(s) of the related parties	CreditAccess India Foundation ("CAIF")	CreditAccess Life Insurance Limited ("CALI")
2	Nature of contracts / arrangements / Transaction	Sharing of office space and other manpower services	Facilitation in collecting Insurance Premium amount and commission on insurance business under corporate agency
3	Duration of contracts	Ongoing	Ongoing
4	Salient terms of the contracts or arrangements or transaction including the value, if any	The Company shall sublet its office building and provide manpower support, wherever required. Nominal rent of ₹ 5,000 (Rupees Five Thousand only) plus taxes is charged per month for sharing or the shared office and manpower resources provided by the Company	The Company as a Corporate Agent shall solicit, procure and market the insurance products of CALI to its customers in the manner and to the extent, as agreed between the parties, for which the Company is entitled to receive commission on the premium sourced.
5	Date of approval by the Board	June 25, 2021	April 28, 2023 and January 19, 2024
6	Advances	NA	NA
7	Justification for entering into such contract or arrangement or transaction	CAIF being Company's Subsidiary and registered as a Not-for-profit Company, for implementing CSR activities of the Company, adequate support is being provided.	The Company is entitled to receive commission from insurance companies being a corporate agent, as per applicable IRDAI Circular / Guidelines / Regulations.
8	Date on which the Special Resolution was passed	NA	NA

Annexure V(i)

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

(i) The ratio of remuneration of each Director to the median remuneration of employees of the Company and percentage increase in remuneration of each Director and KMPs during FY2024:

Sl. No.	Name of the Director/KMP	Designation	Ratio to Median	% increase in Remuneration during FY2024
1	Mr. Udaya Kumar Hebbar	Managing Director	88.38	25%
2	Mr. George Joseph	Lead Independent Director & Chairman	14.66	29.74%
3	Mr. Manoj Kumar	Independent Director	12.06	44.39%
4	Ms. Lillian Jessie Paul	Independent Director	10.26	88.67%
5	Ms. Rekha Warriar	Independent Director	6.82	60.57%
6	Mr. Paolo Brichetti	Non-Executive Director & Vice-Chairman	2.36	NA
7	Mr. Sumit Kumar	Non-Executive Director	3.29	NA
8	Mr. Massimo Vita	Non-Executive Director	4.63	NA
9	Mr. Ganesh Narayanan	Chief Executive Officer	60.26	31%
10	Mr. S. Balakrishna Kamath	Chief Financial Officer	35.99	15%
11	Mr. M. J. Mahadev Prakash	Company Secretary & Chief Compliance Officer	22.44	38%

(ii) The percentage increase in the median remuneration of the employees in FY2024: There has been an increase of **15%** in the median remuneration of the employees of the Company in FY2024 as compared to FY2023.

(iii) As on March 31, 2024, there were **19,395** permanent employees on the rolls of the Company.

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

The average increase in the remuneration of employees other than KMPs during FY2024 was **16%** and the average increase in the remuneration of KMPs was **27%.**

Justification for Increase: Mr. Ganesh Narayanan's was elevated as Chief Executive Officer during the year and Mr. M. J. Mahadev Prakash was elevated as 'Company Secretary & Chief Compliance Officer'. Compensation of these Executives were accordingly revised during the year. The increase for other Executives is in line with industry standards based on compensation benchmarking exercise with the external marker, and the Company's performance.

It is hereby affirmed that:

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

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

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

Apart from the variable pay component, long term incentives granted to the Chief Executive Officer and the Managing Director includes ESOPs. The criteria for grant and vesting of Options are determined by the Nomination & Remuneration Committee, as and when required.

Annexure V(ii)

Disclosure of Remuneration under Section 197 (12) of Companies Act, 2013 read with Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including Top 10 employees in terms of remuneration drawn during FY23-24:

Name	Age	Qualification and experience	Designation	Employed since	Remuneration drawn during FY24		Previous employment
					Fixed & Variable Pay (₹ in Million)[1]	ESOP (No of Options granted)#	
Mr. Udaya Kumar Hebbar	64	M.Com, CAIIB (39.4 Years)	Managing Director	08.09.2010	40.94	83,200	Barclays Bank PLC
Mr. Ganesh Narayanan	48	MBA (26 Years)	CEO	27.01.2020	25.94	54,000	Yes Bank
Mr. Sudesh Dinesh Puthran	54	BE, MFM (26 Years)	Chief Technology Officer	01.10.2020	20.12	32,800	Aditya Birla Finance Limited
Mr. Gururaj Rao	49	B. Com, CIA (29.2 Years)	Chief Audit Officer	01.07.2009	19.58	36,500	YBA Kano, Saudi Arabia / Bahrain
Mr. Sadananda Balakrishna Kamath	54	B. Com, ACA, ACS (30.5 Years)	Chief Financial Officer	11.03.2020	15.78	28,700	TATA Capital Housing Finance
Mr. Srivatsa H N	47	Pre-University (22 Years)	Business Head– Retail Finance and Group Lending	02.12.2002	15.32	28,500	Bharatha Swamukti Samasthe
Mr. Firoz Anam	46	B. Tech, MBA (21 Years)	Chief Risk Officer	01.07.2020	13.47	25,100	Indie Homefin
Mr. Sundar Arumugam*	46	MBA (23 Years)	Head - Digital Lending and Retail Finance Products	01.04.2019	12.91	24,100	CreditAccess Asia
Mr. Gopal Reddy A. R.$	50	B. Com, (25 Years)	Business Head- Group Lending	30.05.1999	12.68	23,600	Started his career in CA Grameen
Mr. Arun Kumar B	41	PGDM (20 Years)	Head-Strategy, Innovation and Analytics	10.11.2010	12.55	22,800	Barclays Bank

1. *excludes perquisite value of stock Options exercised during FY24*

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

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

ESOPs were granted at a price of ₹1685.29/- per Option. The number of Options granted to each employee has been determined using the 'Black-Scholes' method, a widely accepted valuation model for stock options. The ESOPs granted in FY24 will vest over four equal annual instalments of 25% each, with the vesting period commencing from January 2025.

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

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

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

1. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L51216KA1991PLC053425
2.	Name of the Listed Entity	CreditAccess Grameen Limited
3.	Year of incorporation	1991
4.	Registered office address	New No. 49 (Old No725), 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalyana Mantap) Bengaluru KA-560070
5.	Corporate address	New No. 49 (Old No725), 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalyana Mantap) Bengaluru KA-560070
6.	E-mail	info@cagrameen.in
7.	Telephone	+91 80 22637300
8.	Website	www.creditaccessgrameen.in
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE, NSE
11.	Paid-up Capital	₹ 1,593.77 million
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mahadev Prakash Company Secretary & Chief Compliance Officer +91 80 22637300 cs@cagrameen.in
13.	Reporting boundary	For FY24, the disclosures are on standalone basis. For FY23, the disclosures are on a standalone basis, except for the GHG emissions disclosures which are computed across 74% of branches (81% of employees), excluding the branches of erstwhile subsidiary Madura Micro Finance Limited which merged with the Company in February 2023. For FY22, the disclosures are on a standalone basis, excluding the erstwhile subsidiary Madura Micro Finance Limited.
14.	Name of assurance provider	Not applicable
15.	Type of assurance provided	Not applicable

I. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Microfinance Services	Providing loans for income generation activities and other lifecycle needs to economically weaker sections	97.3%

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

S. No.	Description of Main Activity	NIC Code	% of Turnover of the entity
1.	Microfinance Services	65923	97.3%

II. Operations

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

Location	Number of Branches	Number of offices	Total
National	1,967	1 Head Office, 1 Leadership Training Centre, 21 Regional Offices	1,990
International	0	0	0

19. Markets served by the entity:

a. Number of locations:

Location	Total
National (No. of States)	16 states and 1 union territory
International (No. of Countries)	0

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

Nil

c. A brief on types of customers:

Predominantly women (99.98%) customers from low-income households (economically weaker sections) availing loans primarily for income generation activities and for other lifecycle needs.

III. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Employees

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	19,395	16,212	83.59%	3,183	16.41%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	**Total employees (D + E)**	**19,395**	**16,212**	**83.59%**	**3,183**	**16.41%**

Workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (F)	0	0	0.00%	0	0.00%
2.	Other than Permanent (G)	0	0	0.00%	0	0.00%
3.	**Total workers (F + G)**	**0**	**0**	**0.00%**	**0**	**0.00%**

b. Differently abled Employees and workers:

Differently Abled Employees

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	1	1	100.00%	0	0.00%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	**Total employees (D + E)**	**1**	**1**	**100.00%**	**0**	**0.00%**

Differently Abled Workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (F)	0	0	0.00%	0	0.00%
2.	Other than Permanent (G)	0	0	0.00%	0	0.00%
3.	**Total workers (F + G)**	**0**	**0**	**0.00%**	**0**	**0.00%**

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25.00%
Key Management Personnel	4	0	0.00%

22. Turnover rate for permanent employees and workers:

Particulars	FY2024			FY2023			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees *	30.78%	31.12%	30.82%	40.04%	43.69%	40.35%	31.71%	36.96%	32.09%
Permanent Workers	-	-	-	-	-	-	-	-	-

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

* Only confirmed employees have been considered

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

23. (a) Names of holding / subsidiary / associate companies / joint ventures:

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

V. CSR Details

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

(ii) Turnover (in ₹): 51,726.42 million

(iii) Net worth (in ₹): 65,699.37 million

VI. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place	FY2024			FY2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Community grievances currently not recorded	Nil	Nil	Community grievances currently not recorded
Investors & Shareholders	Yes	199	Nil	-	100	Nil	-
Employees	Yes	72	Nil	-	84	1	-
Customers	Yes	1,516	Nil	-	2,933	Nil	-
Value Chain Partners	No	Nil	Nil	Value Chain Partners grievances currently not recorded	Nil	Nil	Value Chain Partners grievances currently not recorded

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

S. No	Material issues identified	Indicate Whether risk or opportunity (R) / (O)	Rationale for identifying the risk or opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1	Financial Inclusion	O	Will ensure that business contributes to betterment of the society	Aligning business strategy to focus on the opportunity	Positive Implications
2	Financial Literacy	O			
3	Local Employment generation	O			
4	Positive Social /Environmental Impact of Products and Services	O			
5	Positive Customer Experience	O	Will positively impact business potential over long term	Aligning Business Strategy to focus on the opportunity	Positive Implications
6	Economic Performance	O			
7	Social Credit Rating	O			
8	Innovative products and services	O			
9	Digitization	O			
10	Equality and Diversity	O			
11	Sustainable Business Strategy	O			
12	Community Development	O	Will positively impact business reputation	Aligning Business Strategy to focus on the opportunity	Positive Implications
13	Employee Training and Development	O	Will improve the overall customer experience and service	Aligning Business Strategy to focus on the opportunity	Positive Implications
14	Brand and Reputation Management	R	To avoid any detrimental impacts on company's brand and reputation	Necessary checks and balances in place to minimise impact of company's operations on external environment and community	Positive Implications
15	Human Rights	R	To avoid any detrimental impacts on company's brand and reputation	Comprehensive policy framework to safeguard employee health, well-being	Positive Implications
16	Corporate Ethics and Integrity	R	To ensure adherence with all guidelines and regulations in letter and spirit	Strong governance framework, internal audit, risk management and Board oversight in place	Positive Implications
17	Regulatory Compliance	R			
18	Governance Risk Management	R			
19	Waste Management	R	To ensure efficient handling of waste without impacting the environment	Well-defined process and policy in place for efficient waste management	Positive Implications
20	Employee Health and Well being	R	To ensure that business operations implement all workplace safety measures	Comprehensive policy framework to safeguard employee health and well-being	Positive Implications
21	Effect of climate change on Debt	R	To measure the climate change impact on business and take mitigation steps	Working on reducing climate impact and emission reduction measures	Positive Implications
22	Climate Change and GHG emissions	R			
23	Data security and privacy	R	To safeguard customer, employee and organisation data	Necessary checks and balances in place to ensure data protection	Positive Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.creditaccessgrameen.in/governance/policies/								
2. Whether the entity has translated the policy into procedures.	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes, certifications, labels, standards adopted by your entity and mapped to each principle	The spirit and intent of the Company's Code of Conduct, Fair Practices Code and other Codes / Policies are prepared in compliance with applicable laws, rules and guidelines. In addition, they reflect the vision and mission of the Company of providing financial services to the economically weaker sections that create a commercially viable and socially relevant microfinance model that delivers high value to our customers.								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	The Company strives to be a socially responsible organisation creating a meaningful long-term impact in the lives of customers, employees, communities, and various stakeholders. The Company has ensured that its processes and controls are aligned with the principles of sustainable business practices.								
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	The Company actively tracks the progress against the action plan to ensure complete compliance with the established norms.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements. Refer to Page 11 of the Integrated Annual Report									
8. Details of the highest authority responsible for the implementation and oversight of the Business Responsibility policies.	DIN: 07235226 Name: Udaya Kumar Hebbar Designation: Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues?	DIN: 07235226 Name: Udaya Kumar Hebbar Designation: Managing Director								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	Committee of the Board									Quarterly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of the Board									Quarterly								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	N	N	N	N	N	N	N	N	N
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:	The Company has not carried out independent assessment, however, the Company ensures continuous Updation of all policies and annual review by the Board of Directors. The working of all policies is tracked by various Committees of the Board								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	2 Familiarization programs for independent directors	1. Industry oversight, underlying trend, customer behavior, competition activity, and regulatory landscape	100% of independent directors
		2. Emerging disruptive technology that could alter the way lending is done to informal segments	100% of independent directors
	1 Familiarization program for all board of directors	Compliance obligations under SEBI PIT Regulations, 2015, NBFC-MFI industry overview	100%
Key Managerial Personnel	3 Training programs	1. IT Security	100%
		2. Compliance Obligations under SEBI PIT Regulations, 2015	100%
		3. Whistle Blower Policy	75%
Other Employees	6 Trainings Programs conducted through the e-learning portal	1. IT Security 2. Client Protection Principles 3. KYC and AML Policy 4. Prohibition of Insider Trading 5. Road Safety 6. Whistle Blower Policy	96%

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

Monetary

	NBRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred?
Penalty / Fine	Principle 1	NSE and BSE	26,000+ taxes each*	In FY23, the Audit Committee was not constituted with at least two-thirds of the independent directors as required u/r. 18(1) (b) of the SEBI LODR.	No
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA
Non-Monetary					
Imprisonment	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA

* Penalty was received during the FY24 for non-compliance pertaining to FY23. It was already disclosed in the previous report as well.

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

Nil.

4. Does the entity have an anti-corruption or anti-bribery policy?

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

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

FY2024: Nil. FY2023: Nil

6. Details of complaints with regards to conflict of interest.

Number of complaints received in relation to issues of Conflict of Interest of the Directors:
FY2024: Nil. FY2023: Nil

Number of complaints received in relation to issues of Conflict of Interest of the KMPs:
FY2024: Nil. FY2023: Nil

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

Nil

8. Number of days of accounts payables in the following format.

Not Applicable.

9. Openness of business:

Parameter	Metrics	FY2024	FY2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not Applicable	Not Applicable
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers / distributors as % of total sales		
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs	a. Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties / Total Sales)	0.32%	Nil
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

Leadership Indicators

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

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

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

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

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

Essential Indicators

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

Segment	FY2024	FY2023	Details of improvements in environmental and social impacts
R&D	Nil	Nil	-
Capex	₹ 83.70 million	₹ 36.10 million	Refer to Page 61-62 of the Integrated Annual Report

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

Yes.

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

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

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

The Company's business operations do not include use / generation of plastics, hazardous waste, and other waste. With regards to E-waste, the company follows appropriate processes for safe disposal through CPCB ("Central Pollution Control Board") authorized recycling agency. During FY2024, the Company safely disposed of 1.87 metric tons of E-waste.

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

The EPR is not directly applicable to Company's business operations. However, the Company ensures rightful disposal / recycling of the E-waste through CPCB authorized recycling agency.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The Company has conducted third party impact assessment of its products and services on the life cycle of our customers. Please refer to page 16 of the Integrated Annual Report.

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

The Company's products/services are 100% ESG compliant and hence have minimal environmental impact.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities *	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	16,212	3,786	23.35%	16,212	100.00%	0	0.00%	9,486	58.51%	292	1.80%
Female	3,183	275	8.64%	3,183	100.00%	3,183	100.00%	0	0.00%	135	4.24%
Total	**19,395**	**4,061**	**20.94%**	**19,395**	**100.00%**	**3,183**	**16.41%**	**9,486**	**48.91%**	**427**	**2.20%**
Other than Permanent employees											
Male	0	0	-	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	**0**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**

* Day care facilities are available at head office.

b. Details of measures for the well-being of workers:

Not applicable as the Company does not employ workers.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.

	FY2024	FY2023
Cost incurred on well-being measures as a % of total revenue of the company	0.16%	0.21%

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

Benefits	FY2024		FY2023	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority	No. of employees covered as a % of total employees	Deducted and deposited with the authority
PF	100%	Y	100%	Y
Gratuity	100%	Y	100%	Y
ESI	15,284 out of 19,395 employees fall under ESIC and 100% covered	Y	13,774 out of 16,759 employees fall under ESIC and 100% covered	Y

3. **Accessibility of workplaces.**

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

Yes.

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

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

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

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	92.65%
Female	90.32%	90.32%

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

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

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

Yes. Refer to Page 54 of the Integrated Annual Report.

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

Not Applicable.

8. **Details of training given to employees:**

Category	FY2024					FY2023				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Male	16,212	11,167	68.88%	11,358	70.06%	14,842	9,718	65.48%	11,207	75.51%
Female	3,183	3,116	97.90%	1,489	46.78%	1,917	1,740	90.77%	947	49.40%
Total	**19,395**	**14,283**	**73.64%**	**12,847**	**66.24%**	**16,759**	**11,458**	**68.37%**	**12,154**	**72.52%**

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

Category	FY2024			FY2023		
	Total (A)	Total (B)	Total (B/A)	Total (C)	No. (D)	% (D/C)
Male	15,264	9,688	63.47%	13,869	10,360	74.70%
Female	2,127	883	41.51%	1,313	908	69.15%
Total	**17,391**	**10,571**	**60.78%**	**15,182**	**11,268**	**74.22%**

10. **Health and safety management system:**

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

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

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

Regular trainings are conducted to build awareness about occupational health and safety. Periodic branch and field visits by internal audit team, business support (quality control) team, risk team and field senior visits help in capturing any deviations and timely corrective actions.

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

Not Applicable.

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

The employees are covered by health insurance and life insurance.

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

Safety Incident/Number	Category	FY2024	FY2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	63	28
No. of fatalities	Employees	28 (8 on-duty)	20 (11 on-duty)
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	0

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

Regular trainings are conducted to build awareness about occupational health and safety. Periodic branch and field visits by internal audit team, business support (quality control) team, risk team and field senior visits help in capturing any deviations and timely corrective actions.

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

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

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

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

Not Applicable.

Leadership Indicators

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

Yes.

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

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

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

Benefits	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2024	FY2023	FY2024	FY2023
Employees	1	0	1	0

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

Yes.

5. Details on assessment of value chain partners:

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

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

Not Applicable.

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

Essential Indicators

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

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

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

Refer to Page 29 of the Integrated Annual Report.

Leadership Indicators

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

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

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

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

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

Refer to Page 46-49 of the Integrated Annual Report.

PRINCIPLE 5: Businesses should respect and promote human rights:

Essential Indicators

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

Category	FY2024			FY2023		
	Total (A)	No. of employees covered (B)	% (A/B)	Total (C)	No. of employees covered (D)	% (C / D)
Permanent	19,395	-	-	16,759	-	-
Other than Permanent	0	-	-	0	-	-
Total Employees	**19,395**	**-**	**-**	**16,759**	**-**	**-**

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

Category	FY2024					FY2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Permanent	**19,395**	**771**	**3.98%**	**18,624**	**96.02%**	**16,759**	**1,356**	**8.09%**	**15,403**	**91.91%**
Male	16,212	647	3.99%	15,566	96.01%	14,842	1,099	7.40%	13,743	92.60%
Female	3,183	124	3.90%	3,058	96.10%	1,917	257	13.41%	1,660	86.59%

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

CTC In ₹	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (Independent)	2	4,990,000	2	31,87,500
Key Managerial Personnel	4	17,970,954	0	NA
Other Employees	16,209	375,024	3,183	3,06,252

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY2024	FY2023
Gross wages paid to females as % of total wages	10.77%	7.66%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes.

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

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

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

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	8	1	Out of 8 cases, 4 cases were upheld. 3 cases were not upheld due to lack of necessary evidence. The one pending case was upheld and closed on 21st June 2024	Nil	Nil	There was no evidence of sexual harassment found during the investigation.
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	
Child Labour	Nil	Nil	Nil	Nil	Nil	
Forced Labour / Involuntary Labour	Nil	Nil	Nil	Nil	Nil	
Wages	Nil	Nil	Nil	Nil	Nil	
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY2024	FY2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	8	Nil
Complaints on POSH as a % of female employees	0.25%	Nil
Complaints on POSH upheld	5*	-

* The one pending case as on 31st March 2024 was upheld and closed on 21st June 2024

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

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

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

Yes.

10. Assessments for the year:

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

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

Nil.

Leadership Indicators

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

Nil.

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

Nil.

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

Yes.

4. Details on assessment of value chain partners:

We do not conduct assessment of value chain partners.

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

Not applicable.

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

Essential Indicators

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

The Company does not have energy consumption from renewable sources. Hence the below table shows the energy consumption from non-renewable sources.

Parameter	FY2024	FY2023
Total electricity consumption (A)	21,590 GJ	20,422 GJ
Total fuel consumption (B)	229,434 GJ	156,716 GJ
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	251,024 GJ	177,138 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in ₹)	4,853 J (Per ₹ Revenues)	6,024 J (Per ₹ Revenues)
Energy intensity per Full Time Employee (Total energy consumption/ full time employees)	12.94 GJ (Per FTE)	12.99 GJ (Per FTE)

Note: The Company has carried an independent assessment (limited assurance) by BDO India LLP.

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

Not Applicable.

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

Not Applicable.

4. Provide the details related to water discharged:

Not Applicable.

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

Not Applicable.

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

Not Applicable.

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

Parameter	Unit	FY2024	FY2023
Total Scope 1 emissions (CO2)	Metric tonnes of CO2 equivalent	124.29	144.51
Total Scope 2 emissions (CO2)	Metric tonnes of CO2 equivalent	4,294.04	4,061.79
Total Scope 1 and Scope 2 emissions per rupee of turnover	Gms/ ₹	0.09	0.14
Total Scope 1 and Scope 2 emissions per full time employees	Metric tonnes/FTE	0.25	0.30

Note: The Company has carried an independent assessment (limited assurance) by BDO India LLP.

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

The Company currently does not have any project related to GHG emission reduction. The Company shall however take focussed emission reduction initiatives in the future.

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

Total Waste generated (in metric tonnes)

Parameter	FY2024	FY2023
Plastic waste (A)	Not Applicable	Not Applicable
E-waste (B)	1.87 metric tonnes of e-waste safely disposed	1.87 metric tonnes of e-waste safely disposed
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable

Parameter	FY2024	FY2023
Waste intensity per rupee of turnover	E-waste 0.000036 gms per ₹ revenues	E-waste 0.000064 gms per ₹ revenues
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Not Applicable	Not Applicable
Waste intensity in terms of physical output	Not Applicable	Not Applicable

The Company ensures rightful disposal / recycling of the E-waste through CPCB authorized recycling agency.

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.

Leadership Indicators

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

Not Applicable.

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

Parameter	Unit	FY2024	FY2023
Total Scope 3 emissions	Metric tonnes of CO2 equivalent	12,990.11	8,813.36
Total Scope 3 emissions per rupee of turnover	Gms / ₹	0.25	0.30
Total Scope 3 emission intensity (calculated on number of full time employees)	Metric tonnes / FTE	0.67	0.65

Note: The Company has carried an independent assessment (limited assurance) by BDO India LLP.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

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

Not Applicable.

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

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

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

Not Applicable.

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

Not Applicable.

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

Essential Indicators

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

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

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

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

Nil.

Leadership Indicators

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

Nil.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development:

Essential Indicators

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

   Not Applicable.

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

   Not Applicable.

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

   Refer to Page 46 of the Integrated Annual Report.

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

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

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Location	FY2024	FY2023
Rural	61.89%	59.81%
Semi-urban	3.08%	2.71%
Urban	33.09%	36.61%
Metropolitan	1.94%	0.86%

Leadership Indicators

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

   Not Applicable.

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

S. No.	State	Aspirational Districts	Total Amount Spent (₹)
1	Bihar	Sitamarhi	29,376
		Purnia	90,621
		Katihar	30,414
		Muzaffarpur	145,844
		Begusarai	75,827
		Khagaria	90,621
		Banka	59,583
		Gaya	208,351
		Areria	45,000
		Aurangabad	115,844
		Nawada	15,000
		Jamui	28,338

S. No.	State	Aspirational Districts	Total Amount Spent (₹)
2	Chhattisgarh	Korba	48,329
		Rajnandgaon	171,518
		Mahasamund	30,379
		Kanker	237,488
		Kondagaon	30,379
3	Gujarat	Dahod	85,787
		Narmada	43,595
4	Jharkhand	Garhwa	58,859
		Giridih	91,138
		Godda	61,138
		Sahibganj	60,379
		Pakur	15,379
		Palamu	60,759
		Latehar	45,759
		Hazaribagh	91,517
		Bokaro	30,000
		Lohardaga	15,000
		Dumka	76,513
		Ranchi	130,517
5	Karnataka	Raichur	437,146
		Yadgir	164,546
6	Madhya Pradesh	Chhatarpur	78,000
		Barwani	89,958
		Rajgarh	91,177
		Vidisha	13,758
		Damoh	15,000
		Guna	13,641
		Khandwa	89,720
7	Maharashtra	Nandurbar	357,000
		Washim	73,000
		Gadchiroli	30,000
		Osmanabad	238,972
8	Odisha	Dhenkanal	90,758
		Bolangir	61,138
		Kalahandi	76,138
		Rayagada	46,138
9	Rajasthan	Sirohi	72,818
10	Uttar Pradesh	Chitrakoot	14,094
		Siddharthnagar	14,605
		Chandauli	14,605
		Sonbhadra	56,887
11	Tamil Nadu	Virudhunagar	289,945
		Ramanathapuram	698,780
	Total		**5,447,076**

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

   No

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

   Not Applicable

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

   100% local procurement.

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

   Nil.

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

   Nil.

6. **Details of beneficiaries of CSR Projects.**

   Refer to Page 47 of the Integrated Annual Report.

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

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Refer to page 46 of the Integrated Annual Report

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about environmental and social parameters.**

   100%

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

	FY2024			FY2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	1,516	Nil	-	2,933	Nil	-

4. **Details of instances of product recalls on account of safety issues.**

   Not Applicable.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.**

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

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

   Nil.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches**

   b. **Percentage of data breaches involving personally identifiable information of customers**

   c. **Impact, if any, of the data breaches**

   Nil

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The information on goods and services of the business can be accessed on Company website (www.creditaccessgrameen.in), help desk, centre meetings.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

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

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

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

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes. As per Fair Practices code, the Company is required to display interest being charged and other practices being adopted by the Company in lending loans to its Borrowers. The loan passbook and factsheet mentions details about the rate of interest, loan tenure, repayment cycle and repayment instalment, processing fees, insurance and other terms & conditions for all loan products.

   The Company regularly conducts customer satisfaction surveys relating to its products and services. Refer to Page 46 of the Integrated Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis – FY2024

I. Microfinance Industry: A Broad Perspective

A. Industry Overview: (Data as of March 31, 2024)

The Indian microfinance industry is on a sustainable growth trajectory, registering 24.5% YoY growth in gross loan portfolio to ₹ 4.34 trillion catering to 78 million unique borrowers. The NBFC-MFI segment stands as the leader with a 39.4% share of the universe portfolio followed by Banks at 33.2%, SFBs at 17.1%, and NBFCs/Others at 10.3%. A total of 229 lending institutions served microfinance borrowers – 87 NBFC-MFIs, 14 Banks, 10 SFBs, 81 NBFCs, and 36 others across the country. The Reserve Bank of India and self-regulatory organisations (MFIN and Sa-Dhan) continue to play an active role in fostering an inclusive financial ecosystem.

The RBI's new guidelines have given significant importance to client-centricity and responsible lending. The entire household considered as a single entity for the cashflow analysis gives better visibility leading to improved underwriting. The microfinance sector's resilience, a key differential among various asset classes, is driven by the involvement of customers in multiple income-generation activities giving large-scale credit advancing opportunities. Microfinance remains the funnel for many to enter the formal credit system by building a credit history based on the premise of disciplined lending and regular literacy programmes. With growing competition and the need to serve households, NBFC-MFIs are transcending their traditional roles by diversifying their product basket and meeting the increasing credit requirements of the customers.

Given the growth momentum, microfinance is poised to become the fourth largest retail segment in FY25 after housing loans, personal loans, and agriculture loans reflecting its mainstream integration. The microfinance contribution to various Sustainable Development Goals (SDGs) is notable by reducing poverty, encouraging good health/wellbeing, and gender equality, among others.

B. NBFC-MFI

NBFC-MFIs continue to hold market leadership given strong growth momentum during FY24. The GLP grew 23.6% YoY to ₹ 1.71 trillion while the borrower base grew 34.5% YoY to 39 million, attributed to growth in branch addition and expansion into new geographies by various players. During FY24, a total of ₹ 1.38 trillion was disbursed by the NBFC-MFIs, a 24.4% increase in YoY growth.

The NBFC-MFIs currently operate through 20,348 branches, a 19.4% increase YoY and spread across the country, providing employment opportunities to 183,842 people. The self-reported data of 48 NBFC-MFIs published in the MFIN Micrometer is categorised as Large, Medium, and Small according to their GLP. Companies with a GLP of more than ₹ 20,000 million fall under the large category whereas companies having a GLP between ₹ 5,000 million to ₹ 20,000 million and GLP of less than ₹ 5,000 million are categorised as medium and small entities respectively. Accordingly, there are 16 large, 11 medium, and 21 small entities operating of which 91.8% of the NBFC-MFI segment portfolio is held by large entities.

A profile of NBFC-MFIs is given below:

- Top Ten MFIs GLP contribute to 77.5% of the NBFC-MFI segment. As of March 31 2024, rural portfolio contribution stood at 83.4%.
- Loans for Agri-Allied activities account for 66.4% of the GLP. Trade/services and manufacturing loans account for 30.1% while household finance loans account for 3.5% of GLP.
- Region-wise distribution of the portfolio is provided below.
    - South : 27%
    - West : 16%
    - North : 16%
    - Central : 9%
    - East and North-East : 32%
- Top 5 States - Bihar, Uttar Pradesh, Tamil Nadu, Karnataka, and Maharashtra account for 57.9% of GLP. The top 10 States account for 85.8% of the total industry loan amount outstanding.

II. Competitive Strengths and Strategies

A. Higher Rural Penetration

CreditAccess Grameen Limited predominantly focuses on customers in rural parts of India who lack access to formal credit and present a latent opportunity for upbringing their livelihood. This borrower base stood at 86.0% at the end of March 2024. We have followed a strategy of contiguous district-based expansion across regions where we cover up to 30 kms radius from each branch.

Active Borrowers	FY2020	FY2021	FY2022	FY2023	FY2024
Rural	86%	85%	84%	85%	86%
Urban	14%	15%	16%	15%	14%

B. Market Leadership

As of March 31, 2024, the Company holds a 6.2% market share in the overall microfinance industry. The Company's market share across its top four states of business operations was 20.1% in Karnataka, 16.9% in Maharashtra, 9.2% in Tamil Nadu, and 6.2% in Madhya Pradesh. Within the NBFC-MFI segment, the Company preserved its position as the largest NBFC-MFI, with a 15.6% share of the total GLP.

C. Customer Connect

Holding the traditional Grameen model in place, employees interact with customers at Kendra meetings held every week, which serve as a convention for various products and services. We engage in meaningful conversations beyond repayment collection involving financial literacy, responsible borrowing practices, hygiene, legal rights, etc. Additional programs such as Jagruti, Social Awareness Campaigns, and training are pivotal practices to enhance customers' overall exposure and financial resilience.

D. Product Design

Our products are designed based on the philosophy of "Evolve with Customers" which involves catering to their diverse needs. We focus on nurturing a relationship-based model with better visibility. As a starting point in their credit journey, we have income-generating loans surrounded by other loans such as primary education, higher education, medical emergencies, home improvement, emergency, water, and sanitation. For our graduated customers, we are offering individual unsecured, two-wheeler, loan against property, and recently launched affordable housing loan. The company strictly abides by cost optimization and promoting sustainability. Our ethos on social aspects guides us to be the affordable lender for our clientele.

E. Employee Friendly Organisation

We believe in nurturing our work culture by embracing diversity among the employees. We encourage a healthy environment where everyone is appreciated for their efforts. Training, effective compensation schemes, monetary and non-monetary benefits, etc. are a few of the many schemes implemented by the company. Internal job promotions are also provided to take up important roles upon gaining sufficient experience. We follow a 5-day work policy which has proved to enhance employee satisfaction and boost productivity. The Company also provides other facilities like guest house arrangements for its entire field force and conducts various employee connect initiatives wherein we actively listen and obtain feedback to continually improve their experience. This has resulted in being awarded as the "Great Place to Work" consecutively for the fifth time.

F. Seasoned and Stable Management Team

The exemplary leadership and rich experience have been significant in driving growth and expansion. i.e., our core operations leadership team has been associated with us over the last two decades manifests our strong culture. Their on-ground hands experience provides significant leverage to any issue faced by the organisation. This is complemented by strong corporate governance standards in gaining business prosperity and advancing the inclusion agenda.

III. Opportunities and Threats

A. Opportunities

Microfinance has deepened the reach of the formal sector through doorstep services. Given the overall current penetration levels of over 40%, it has a huge potential in the coming decade for credit-advancing opportunities, especially in Rural/Semi-Urban India.

The industry through its 'observe, learn and adapt approach' has proved to be a catalyst under the changing contours. The growing prospects of the microfinance industry have led to exploring asset-light models such as co-lending helping MFIs have access to lower-cost funds and simultaneously helping banks meet their priority sector lending obligations.

The new regulations allow building up to 25% non-qualifying assets. This poses an opportunity to devise suitable products like two-wheeler loans, affordable housing loans, etc. for graduated customers and increase wallet share per household.

The need for incorporating environmental, social, and governance (ESG) practices in the culture has escalated. Given the nature of the business, MFIs can attract ESG funding in the form of social loan, gender loan, and green loan through international developmental financial institutions (DFIs). This will also bring new lenders under the ambit of the Indian microfinance space.

B. Threats

Client connection through the centre meetings is paramount. With the rise in digital payments and individual loans, the culture of regular meetings conducted should not be diluted. A continuous thrust on a tech and touch approach should be the way forward.

Global warming has led to widespread natural disasters witnessed across the country from floods, heatwaves, and rise in sea level. The low-income borrowers being vulnerable to withstand these calamities, are also the strongest to return to normalcy, given their high entrepreneurship skills and multiple income sources with the continuous support of microfinance services.

The attrition rates are usually higher for feet-on-street employees. With various learning & development programs complemented by career progression opportunities, attrition above a certain level can be arrested.

The long-term sustainable growth requires moving beyond saturated districts and not competing in the same geography for the same set of clients. The thrust should be sourcing new-to-credit and newer clients as a part of a resilient expansion strategy. This would lead to wider access to credit across the country.

New Initiatives

A. New Product Introduction

Our products are always designed keeping customers in mind. Housing remains amongst the top priorities of our customers as they move up the economic ladder. On the same thought process, we piloted and launched 'Affordable Housing Loans' in February 2024 with a ticket size of ₹ 5 lakh to ₹ 20 lakh to meet the increasing needs of our graduated customers.

B. Process and Technology Improvements

Our technology domain is highly receptive to evolving business requirements and achieving growth targets. We have upgraded our Core Banking Solution (CBS) taking care of current and future requirements. Robotic Process Automation (RPA) was introduced into the system focusing on regional processing centres, insurance, customer loan disbursement and remittance process, thus narrowing the scope of manual data entry. A business rule engine has also been introduced to automate credit decision-making as we focus on newer products to meet household needs.

C. Opening of New Branches

The Company opened 194 new branches in FY24 across Andhra Pradesh (32 branches in 9 districts), Bihar (20 branches in 17 districts), Chhattisgarh (5 branches in 3 districts), Gujarat (6 branches in 4 districts), Karnataka (30 branches in 20 districts), Kerala (3 branches in 2 districts), Madhya Pradesh (2 branches in 2 district), Maharashtra (12 branches in 10 districts), Rajasthan (14 branches in 10 districts), Tamil Nadu (9 branches in 9 districts), Telangana (13 branches in 8 districts), Uttar Pradesh (23 branches in 14 districts), and West Bengal (25 branches in 9 districts). The branch expansion was in line with the company's contiguous district-based expansion strategy, primarily focusing on new geographies.

IV. The Company's Operational Perspective

A. Customers Profile

The homogeneous nature of the customers in a group to provide mutual guarantees for each other is the foundation on which microfinance thrives. Vintage acts as a bridge between the customer's belief and the company's efficiency to provide need-based products. The details of the borrower vintage are mentioned below:

Borrower Vintage	FY2020	FY2021	FY2022	FY2023	FY2024
Less than 1 year	17%	13%	15%	25%	26%
1-3 years	48%	52%	35%	22%	31%
3-6 years	23%	23%	33%	36%	25%
6 years and above	12%	12%	17%	17%	18%

B. Profitability

For the period ended March 31, 2024, the Company's pre-provision operating profit grew 58.7% to ₹ 23,909.54 million as against ₹ 15,064.45 million during the same period in the previous year. The Company's profit after tax for FY24 stood at ₹ 14,459.28 million as against ₹ 8,260.60 million for the previous year, an increase of 75.0%. Total revenue from operations for FY24 grew at a healthy pace of 45.7% to ₹ 51,726.52 million as against ₹ 35,507.90 million during the same period in the previous year. Total expenses stood at ₹ 32,334.68 million at the end of FY24 as compared to ₹ 24,453.65 million during the same period in the previous year, an increase of 32.2%.

C. Financial Performance

As of March 31, 2024, the portfolio yield stood at 20.9% as against 18.9% during the same previous financial year. The cost-to-income ratio at the end of March 2024 was 30.5% as against 35.6% during the same period in the previous year. The operating cost to Gross Loan Portfolio ratio for FY24 declined to 4.5%, compared to 4.7% during the previous financial year.

D. Funding Trends

The changes in the outstanding borrowings from different sources during FY2024 in comparison to previous years can be seen in the below table:

In ₹ Million	FY2020	FY2021	FY2022	FY2023	FY2024
Public Sector Banks	15,897.77	25,052.30	30,470.70	28,847.42	32,906.64
Private and Foreign Banks	44,770.53	46,017.22	60,819.18	80,688.30	97,196.12
Securitization/ Direct Assignment (sold portion)	6,186.70	12,685.01	11,904.41	16,278.61	10,045.34
NCDs (FPIs) and ECBs	9,362.48	9,811.94	10,097.94	23,395.15	40,860.57
NBFCs, FIs, NCDs (Domestic) and Others	24,099.44	27,790.65	27,212.19	28,481.12	46,270.54
Total	**100,316.92**	**121,357.12**	**140,504.42**	**177,690.60**	**227,279.19**

E. Treasury and Cash Management System

The Company has an integrated Treasury and Cash Management system that secures funds from multiple sources, operates the complete cash/bank transactions, maintains strong relationships with the industry players and regulators, handles pooling of excess funds from branches and funding disbursement, debt repayment, payments to vendors, employees for salaries, and investment of surplus funds, if any.

Ratios:

(₹ in Million)

Interest Coverage Ratio	FY2024	FY2023
PBT	19,391.85	11,054.24
Interest expense	17,324.42	12,128.84
EBIT	**36,716.27**	**23,183.08**
Interest expense	17,324.42	12,128.84
Interest coverage ratio	2.12	1.91
Debt Equity Ratio		
Debt	218,410.13	163,122.57
Equity (incl. minority interest)	65,699.76	51,069.70
Ratio	**3.32**	**3.19**
Interest income	49,001.08	33,271.33
Income from direct assignment	919.37	1,190.62
Finance cost	17,324.42	12,128.84
Operating Profit (before other expenses)	**32,596.03**	**22,333.11**
Total Revenue from operations	51,726.52	35,507.90
Operating profit margin (before operating expenses)	63.01%	62.89%
Profit after tax	14,459.28	8,260.60
Net Profit Margin	**27.95%**	**23.26%**
Current Ratio		
Current assets	180,682.94	130,458.17
Current liabilities	101,953.03	83,133.15
Current Ratio	**1.77**	**1.57**
Return on Equity (PAT / Quarterly Average Total Equity)	**24.85%**	**17.97%**

F. Operational Trends

Particulars	FY2020	FY2021	FY2022	FY2023	FY2024	CAGR* (%)
Branches	1,393	1,424	1,635	1,786	1,967	9.01%
Districts	248	265	319	352	383	11.48%
Borrowers	4,055,486	3,911,619	3,823,724	4,264,269	4,918,147	4.94%
Loans disbursed (₹ Millions)	103,892	110,112	154,663	185,390	231,337	22.16%
Gross AUM (₹ Millions)	119,961	135,869	165,994	210,313	267,144	22.16%
Field Officers	9,688	9,559	10,770	11,490	13,191	8.02%
Total Staff	14,496	14,399	15,667	16,759	19,395	7.55%
Repayment Rate:	98.61%	92.21%[1]	93.19%	97.31%	98.55%	-
PAR (₹ Millions):	3,671	9,040	8,088	3,124	4,551	-
Funds availed during the year (₹ Millions)	81,011	80,658	101,114	134,324	154,741	17.56%

1) Since there was a loan moratorium applicable during Apr-20 to Aug-20, FY21 repayment rate is calculated over Sep-20 to Mar-21

* CAGR is calculated for the change during the last 4 years

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

	FY2020	FY2021	FY2022	FY2023	FY2024
Borrower Retention Rate	85%	87%	84%	88%	88%

G. Gross AUM and Borrower Distribution:

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

State Wise Gross AUM Distribution

Figures (In ₹ Million)	FY2020		FY2021		FY2022		FY2023		FY2024	
State	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age
KA	48,020	40.0%	51,941	38.2%	59,639	35.9%	69,774	33.2%	84,823	31.8%
MH	28,969	24.1%	31,863	23.5%	35,684	21.5%	43,896	20.9%	55,075	20.6%
TN	23,894	19.9%	25,167	18.5%	34,581	20.8%	42,498	20.2%	53,650	20.1%
MP	9,141	7.6%	11,132	8.2%	12,238	7.4%	14,104	6.7%	16,774	6.3%
OD	2,408	2.0%	3,380	2.5%	5,026	3.0%	6,255	3.0%	8,111	3.0%
BR	2,028	1.7%	3,156	2.3%	5,138	3.1%	9,343	4.4%	14,850	5.6%
CG	2,428	2.0%	2,683	2.0%	2,962	1.8%	4,341	2.1%	5,633	2.1%
KL	1,789	1.5%	2,440	1.8%	3,200	1.9%	5,242	2.5%	6,361	2.4%
JH	394	0.3%	1,207	0.9%	2,267	1.4%	3,594	1.7%	4,583	1.7%
RJ	176	0.1%	660	0.5%	1,605	1.0%	3,072	1.5%	3,739	1.4%
GJ	167	0.1%	601	0.4%	1,071	0.6%	2,208	1.0%	3,060	1.1%
UP	72	0.1%	441	0.3%	1,579	1.0%	4,159	2.0%	6,243	2.3%
WB	42	0.0%	363	0.3%	519	0.3%	1,221	0.6%	2,961	1.1%
PY	413	0.3%	362	0.3%	419	0.2%	488	0.2%	647	0.2%
GA	19	0.0%	22	0.0%	67	0.0%	119	0.1%	188	0.1%
AP	0	0.0%	0	0.0%	0	0.0%	0	0.0%	232	0.1%
TL	0	0.0%	0	0.0%	0	0.0%	0	0.0%	206	0.1%
Total	**119,961**		**135,869**		**165,994**		**210,313**		**267,144**	

State Wise Borrowers Distribution

Figures										
	FY2020		FY2021		FY2022		FY2023		FY2024	
State	Borrowers	% age	Borrowers	% age	Borrowers	% age	Borrowers	% age	Borrowers	% age
KA	1,261,247	31.1%	1,165,415	29.8%	1,077,335	28.2%	1,121,392	26.3%	1,229,532	25.0%
MH	903,757	22.3%	841,370	21.5%	791,560	20.7%	849,969	19.9%	965,238	19.6%
TN	1,113,385	27.5%	996,722	25.5%	911,649	23.8%	920,211	21.6%	996,425	20.2%
MP	323,098	8.0%	325,060	8.3%	312,475	8.2%	325,666	7.6%	361,035	7.3%
OD	121,438	3.0%	139,619	3.6%	149,699	3.9%	167,934	3.9%	183,065	3.7%
BR	93,610	2.3%	130,165	3.3%	158,135	4.1%	234,518	5.5%	329,838	6.7%
CG	100,228	2.5%	89,670	2.3%	83,297	2.2%	101,870	2.4%	126,640	2.6%
KL	85,987	2.1%	98,408	2.5%	99,741	2.6%	121,665	2.9%	144,158	2.9%
JH	14,329	0.4%	37,559	1.0%	70,224	1.8%	97,573	2.3%	108,999	2.2%
RJ	6,182	0.2%	21,286	0.5%	51,256	1.3%	96,791	2.3%	122,241	2.5%
GJ	6,164	0.2%	19,673	0.5%	37,448	1.0%	66,586	1.6%	90,778	1.9%
UP	2,762	0.1%	14,803	0.4%	45,376	1.2%	107,713	2.5%	156,368	3.2%
WB	1,366	0.0%	11,857	0.3%	18,936	0.5%	39,015	0.9%	77,354	1.6%
PY	21,123	0.5%	19,180	0.5%	14,909	0.4%	10,436	0.2%	12,264	0.3%
GA	810	0.0%	832	0.0%	1,684	0.0%	2,930	0.1%	3,999	0.1%
AP	0	0.0%	0	0.0%	0	0.0%	0	0.0%	4,962	0.1%
TL	0	0.0%	0	0.0%	0	0.0%	0	0.0%	5,251	0.1%
Total	**4,055,486**		**3,911,619**		**3,823,724**		**4,264,269**		**4,918,147**	

Product Wise Split of Gross AUM

Figures										
(In ₹ Million)	FY2020		FY2021		FY2022		FY2023		FY2024	
Products	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age	Gross AUM	% age
Income Generation Loans	105,470	87.9%	128,384	94.5%	159,490	96.1%	200,895	95.5%	247,407	92.6%
Family Welfare Loans	1,678	1.4%	232	0.2%	377	0.2%	668	0.3%	824	0.3%
Home Improvement Loans	7,696	6.4%	3,108	2.3%	4,144	2.5%	6,977	3.3%	11,782	4.4%
Emergency Loans	126	0.1%	17	0.0%	28	0.0%	86	0.0%	49	0.0%
Retail Finance Loans	4,991	4.2%	4,128	3.0%	1,955	1.2%	1,683	0.8%	7,082	2.7%
Total	**119,961**		**135,869**		**165,994**		**210,313**		**267,144**	

Number of Districts – State-Wise Distribution

Figures					
	FY2020	FY2021	FY2022	FY2023	FY2024
KA	30	31	31	31	31
MH	32	32	32	32	32
TN	36	37	37	37	37
MP	36	37	43	45	45
OD	24	24	24	24	24
BR	15	18	31	36	36
CG	19	19	20	22	22
KL	8	8	12	12	12
JH	14	17	19	21	21
RJ	11	16	22	26	27
GJ	8	10	20	25	25
UP	7	8	18	27	35
WB	4	4	6	10	15
PY	2	2	2	2	2
GA	2	2	2	2	2
AP	0	0	0	0	9
TL	0	0	0	0	8
Total	**248**	**265**	**319**	**352**	**383**

Number of Districts – District Exposure As % of Gross AUM

Figures					
	FY2020	FY2021	FY2022	FY2023	FY2024
<0.5%	186	205	281	290	320
0.5-1%	28	28	27	38	41
1-2%	27	27	9	20	19
2-4%	7	5	2	4	3
>4%	0	0	0	0	0
Total	**248**	**265**	**319**	**352**	**383**

Number of Districts – District Exposure As % of Borrowers

	Figures				
	FY2020	FY2021	FY2022	FY2023	FY2024
<0.5%	177	195	252	282	321
0.5-1%	40	46	45	52	49
1-2%	27	21	19	16	12
2-4%	4	3	3	2	1
>4%	0	0	0	0	0
Total	**248**	**265**	**319**	**352**	**383**

H. Human Resources (HR)

Dignity in the workplace and trust are the principles of the company. A constant effort is put to improvise the monetary benefits, rewards, recognition along with non-monetary benefits to its employees and their families. Supporting internal stakeholders using technology such as mobile apps and HRIS support systems has increased the solidarity within the organization. Many initiatives towards employee engagement including 'Paathashaala' for career development, 'Kreeda Utsav' for sports, Online library, Health check-ups, Blood donation, 'Parivartan' for monthly feedback from new hires, etc are in place.

HR Highlights

- 19,395 permanent employees as on March 31, 2024 with an attrition rate of 30.8%
- No pending concerns under labour compliances, sexual harassment, and disciplinary issues

In-house Training

Learning and development plays a crucial part in nurturing our employees. The in-house training effectively helps employees to increase their potential on an individual and organization level. Significant focus is provided on trainings related to Client Protection, Code of Conduct, Anti Sexual harassment policy and Phishing Awareness.

Details on some of the training programs provided to employees are as follows:

Training Type	Number of Hours	Number of Staff Trained
Induction Training	936	14,849
New Product - Expansion	152	37,050
Other Trainings	95	1,411
Process Training	456	22,396
Skill Enhancement Program	64	132
Training on Behavioural Skill	208	4,814
Grand Total	**1,911**	**80,652**

I. Internal Controls and its Adequacy

CA Grameen strongly believes in Internal audit being a constantly reiterating process and facilitating the comfort to organisational growth. Our three-tier defense system enhances business operations by improved client connect, extensive field risk assessment and regular internal audits. The processes are supported by analytics and experienced staff which result in improved efficiency, thus rejuvenating audit activities into strategic intelligence to the company.

J. Risk Management

Our highly perceptive risk management system stands as a safeguard against the dynamic external environment and progressing operational challenges. We integrated risk management across all our business processes by taking various initiatives, while perpetually adapting to the best industry practices enhancing competence. A business rule engine enabling agile credit underwriting has been implemented leveraging the power of data analytics. This has enabled us to apply complex credit decision rules for existing and new lending products by optimising efficiency and data quality.

REPORT ON CORPORATE GOVERNANCE

Report on Corporate Governance

I. CORPORATE GOVERNANCE PHILOSOPHY

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

In India, Corporate Governance standards for Listed NBFCs are mandated under the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), Master Circular – Non-Banking Financial Company – Corporate Governance (Reserve Bank) Directions, 2015, and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023, (collectively referred to as "RBI Master Directions / Guidelines") as amended from time to time.

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

II. BOARD OF DIRECTORS

a. Composition

i. As on March 31, 2024, the Company's Board comprised of 8 (eight) Directors drawn from diverse fields/ profession, including 4 (four) Independent Directors. The Chairman of the Board is a Lead Independent Director.

ii. The name and categories of Directors on the Board, number of Board and Committees in which a Director is a Member / Chairperson, name of other listed entities in which a Director holds directorship along with the details of their shareholding as on March 31, 2024, are given below:

Name of the Directors/ Category	No. of Directorships held in public companies, excluding CA Grameen[1]		Directorship in other Listed Entity/ies excluding CA Grameen	Number of Committee positions in public companies[2], including CA Grameen		No. of equity shares/ Convertible instruments[3] held in the Company
	Membership	Chairmanship		Membership	Chairmanship	
Mr. George Joseph, Chairman & Lead Independent Director (Since September 2015)[4]	1	Nil	Popular Vehicles and Services Limited*	4	1	1,000
Mr. Paolo Brichetti, Vice-Chairman & Non-Executive Director (Since October 2022)	Nil	Nil	Nil	Nil	Nil	13[5]
Mr. Sumit Kumar, Non-Executive Director (Since August 2016)	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Massimo Vita, Non-Executive Director(Since July 2017)	Nil	Nil	Nil	1	Nil	Nil

Ms. Lilian Jessie Paul, Independent Director (Since September 2020)	3	Nil	1. Expleo Solutions Limited (Independent) 2. Bajaj Consumer Care Limited (Independent) 3. PB Fintech Limited (Independent)	5	1	Nil
Mr. Manoj Kumar, Independent Director (Since October 2019)	Nil	Nil	Nil	1	Nil	Nil
Ms. Rekha Warriar, Independent Director[5] (Since October 2022)	3	Nil	IIFL Securities Limited	4	2	Nil
Mr. Udaya Kumar Hebbar, Managing Director[6] (Since July 2015)	Nil	Nil	Nil	1	Nil	2,44,735

[*] *Resigned as a Director w.e.f. April 26, 2024*
[$] *Holds equity shares as a Nominee of CreditAccess India B.V.*
[1] *Excluding Directorship in private limited companies, foreign companies and companies under Section 8 of the Act;*
[2] *Audit Committee and Stakeholders' Relationship Committee in public limited companies alone are considered.*
[3] *The Company has not issued any convertible instruments so far and none of the Directors hold such instrument.*
[4] *Re-designated as a member of Audit Committee on May 7, 2024*
[5] *Appointed as Chairperson of Audit Committee effective close of office hours on May 7, 2024*
[6] *Re-designated as Managing Director from the position of MD & CEO effective August 1, 2023*

iii. As at March 31, 2024, the composition of the Board & its Committees is in conformity with the applicable provisions of the Act, Regulation 17 of SEBI Regulations & applicable RBI Master Directions / Guidelines on the Corporate Governance requirements relating to constitution of various committees of the Board, as stipulated from time to time.

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

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

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

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

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

viii. During FY24, the Company has not advanced loans to any of its Directors or firms / companies in which the Directors are interested and there was no pecuniary relationship or transactions with the non-executive directors.

ix. Board Meetings

The Board met five (5) times during FY24 on April 28, 2023, May 16, 2024, July 21, 2023, October 20, 2023 and January 19, 2024. The time gap between any two of the said meetings did not exceed one hundred and twenty days.

Attendance at Board Meetings:

Date of Meeting	George Joseph	Paolo Brichetti	Sumit Kumar	Massimo Vita	Manoj Kumar	Jessie Paul	Rekha Warriar	Udaya Kumar
28.04.2023	✓	✓	✓	✓	✓	✓	✓	✓
16.05.2023	✓	✓	✓	✓	✓	✓	✓	✓
21.07.2023	✓	✓	✓	✓	✓	✓	✓	✓
20.10.2023	✓	✓	✓	✓	✓	✓	×	✓
19.01.2024	✓	✓	✓	✓	✓	✓	✓	✓

Attendance at General Meeting(s):

Meeting Date	George Joseph	Paolo Brichetti	Sumit Kumar	Massimo Vita	Manoj Kumar	Jessie Paul	Rekha Warriar	Udaya Kumar
25.08.2023	✓	✓	×	×	×	✓	✓	✓

Information provided to the Board of Directors

As per the Act, SEBI Regulations & RBI Master Directions / Guidelines, which are applicable to the Company from time to time, the Company provides complete information to the Board/ Committees by circulating the detailed notes to agenda with sufficient notice well in advance of the date of the Board/Committee meetings, except for the meetings called at a shorter notice, if any. The Company diligently ensures that the information furnished by the Management to the Board is comprehensive and of a very high order. The Board reviews periodical compliances of all applicable Laws, Rules and Regulations and the statements submitted by the Management. The members of the Board have a conducive environment to express their opinion on the Board matters and the decisions are taken after detailed deliberations.

Independent Directors' Meeting

In compliance with Schedule IV to the Act and Regulation 25 of the SEBI Regulations, the Independent Directors had a separate meeting on October 19, 2023, without the presence of Non-Independent Directors and members of the Management, *inter-alia,* to discuss the following:

a. review the performance of Non-Independent Directors and the Board of Directors as a whole;

b. review the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;

c. assess the quality, quantity and timeliness of flow of information between the Management of the Company and the Board that is necessary for the Board of Directors to effectively and reasonably perform their duties; and

d. Other matters.

x. Familiarization program to Directors

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

The details of familiarization program for FY24 are placed on the Company's website at https://www.creditaccessgrameen.in/investors/shareholder-services/corporate-governance/

xi. Compensation policy

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

Remuneration to Mr. Udaya Kumar Hebbar, Managing Director for FY24:

(₹ in Million)

Gross Salary	Commission	Pension	Others perquisites	Total Compensation
40.9	N.A.	N.A.	Nil	40.9

Stock Option details of Mr. Udaya Kumar Hebbar:

Total number of Options granted	Number of Options exercised during the year	Total number of Options outstanding	Total number of Options yet to be vested
11,23,100	1,55,000	3,68,100	2,34,250

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

Other terms of employment:

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

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

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

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

ii. Any other lawful amounts due to him.

Remuneration to Non-Executive Directors including Independent Directors

The Non-Executive Directors (NEDs) were paid sitting fees and the Independent Directors (IDs) were eligible for Commission in addition to sitting fees for the period under review. The sitting fee payable to NEDs including IDs along with the commission amount payable to the IDs is as per the criteria specified in the Policy on payment of remuneration to NEDs, a copy of which is available on the Company's website at https://www.creditaccessgrameen.in/governance/policies/.

(₹ in Million)

Name of the Directors	Sitting Fees	Commission*
	FY 2023-24	FY 2023-24
Ms. Lilian Jessie Paul	1.33	3.10
Mr. Manoj Kumar	1.81	3.45
Mr. George Joseph	1.98	4.02
Ms. Rekha Gopal Warriar	0.84	2.87
Mr. Massimo Vita	1.73	NA
Mr. Sumit Kumar	1.23	NA
Mr. Paolo Brichetti	0.88	NA

** Paid as per the statutory provisions of the Act and within the limits approved by the shareholders.*
Apart from the above, there are no other pecuniary relationship or transactions with the NEDs and IDs.

III. COMPOSITION OF COMMITTEES OF THE BOARD – AS ON MARCH 31, 2024

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

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

There were no instances during the year, where the Board of Directors of the Company did not accept the recommendation of any of the Committees.

The Board takes all decisions pertaining to the constitution of committees, fixes the terms of reference of Committees and delegates powers from time to time. The Minutes of the Meetings of all the Committees are being placed before the Board. The details of composition of these Committees, details of Meetings held during the year and the related attendance, are provided below:

1. AUDIT COMMITTEE

The Audit Committee *inter-alia,* oversees the financial reporting process and reviews, with the Management, the financial statements to ensure that the same are correct and credible. The Audit Committee has the ultimate authority and responsibility to select and evaluate the Independent Auditors in accordance with the applicable laws. The Audit Committee also reviews performance of the Joint Statutory Auditors, Internal Auditors, Chief Compliance Officer, adequacy of the internal control system and whistle-blower mechanism.

As on March 31, 2024, the Audit Committee comprised of 4 (four) members including 3 (three) Independent Directors. Ms. Rekha Warriar was appointed as Chairperson of the

Audit Committee in the place of Mr. George Joseph with effect from close of business hours on May 07, 2024, and Mr. George Joseph continues to be a Member of the Audit Committee. All members have accounting or related financial management expertise.

During the year under review, the Audit Committee met 6 (Six) times on 28.04.2023, 16.05.2023, 21.07.2023, 17.10.2023, 20.10.2023, and 19.01.2024. The composition and the details of attendance at the Audit Committee meetings are given below:

Date of Meeting	Rekha Warriar[1]	Massimo Vita[2]	Manoj Kumar[3]	George Joseph[4]
28.04.2023	✓	✓	✓	✓
16.05.2023	✓	✓	✓	✓
21.07.2023	✓	✓	✓	✓
17.10.2023	✓	✓	✓	✓
20.10.2023	✓	✓	✓	✓
19.01.2024	✓	✓	✓	✓

[1] *Member of the Committee since October, 2022 and subsequently appointed as Chairperson of the Committee w.e.f. close of business hours on May 07, 2024*
[2] *Member of the Committee since July 2017*
[3] *Member of the Committee since January 2020*
[4] *Member of the Committee since January 2018*

Mr. Balakrishna Kamath, Chief Financial Officer is responsible for the finance function of the Company. Further, the Head of Internal Audit and the representatives of the Joint Statutory Auditors are regularly invited to attend meetings of the Audit Committee. Mr. M. J. Mahadev Prakash, Company Secretary & Chief Compliance Officer acts as the Secretary to the Audit Committee.

2. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The grievances of various stakeholders are reviewed by the Stakeholders' Relationship Committee ("SRC").

As on March 31, 2024, the SRC is comprised of three (3) members, including two (2) Independent Directors and the Managing Director. Ms. Jessie Paul is the Chairperson of the Committee. Mr Mahadev Prakash, Company Secretary & Chief Compliance Officer acts as Secretary to the Committee.

During the year under review, SRC met Four (4) times on 15.05.2023, 20.07.2023, 19.10.2023 and 18.01.2024. The composition of SRC along with the details of attendance of members at the said Meetings are given below:

Date of Meeting	Jessie Paul[1]	Udaya Kumar[2]	George Joseph[3]
15.05.2023	✓	✓	✓
20.07.2023	✓	✓	✓
19.10.2023	✓	✓	✓
18.01.2024	✓	✓	✓

[1] *Member (Chairperson) of the Committee since October 2022*
[2] *Member of the Committee since November 2020*
[3] *Member of the Committee since January 2018*

The functions and powers of SRC *inter-alia,* include review and resolution of grievances of all shareholders, debenture holders and the customers of the Company; dealing with all aspects relating to the issuance and allotment of shares, debentures, other securities and matters connected therewith. Pursuant to relevant RBI Master Directions / Guidelines, the Internal Ombudsman is an invitee to the meetings of SRC.

Details of investor complaints received and redressed during FY24 are as under:

Particulars	No. of complaints
Pending at the beginning of the year	Nil
Received during the year	199
Resolved during the year	199
Not solved to the satisfaction of shareholders	Nil
Pending complaints at the end of the year	Nil

3. NOMINATION & REMUNERATION COMMITTEE

The terms of Reference of Nomination & Remuneration Committee ("NRC") *inter-alia,* include include formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, the remuneration of Directors, Key Managerial Personnel and other employees, criteria for evaluation of independent Directors and the Board, identification of persons who are qualified to become directors or who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and carrying out the evaluation of each director's performance.

As on March 31, 2024, NRC comprised of three (3) members. Mr. Manoj Kumar is the Chairman of the Committee. Mr Paolo Brichetti and Ms. Jessie Paul are the other members of the Committee.

During the year under review, NRC met three (3) times, on 15.05.2023, 20.07.2023 and 17.01.2024. The details of attendance of the Members at the said meetings are given below:

Date of Meeting	Manoj Kumar[1]	Jessie Paul[2]	Paolo Brichetti[3]
15.05.2023	✓	✓	✓
20.07.2023	✓	✓	✓
17.01.2024	✓	✓	✓

[1] *Member of the Committee since January 2020*
[2] *Member of the Committee since November 2020*
[3] *Member of the Committee since October 2022*

Performance evaluation of Board Members

In accordance with the provisions of Section 178 of the Act and Part D to Schedule II of the SEBI Regulations, the Company has devised a process and criteria for performance evaluation, as recommended by the Nomination and Remuneration Committee (NRC) and approved by the Board.

The evaluation process is conducted by an external agency through a structured questionnaire for each of the categories - Chairman, Independent Directors, Non-Executive Directors, Executive Directors, Board as a whole and Committees of the Board.

The performance evaluation of Independent Directors was carried out by the Board of Directors based on various criteria, as suggested by the NRC, like preparedness for meetings, generation of new ideas, monitoring of corporate governance practices, value addition including fresh perspectives and insights, decision making quality, conflict of interest, adherence to the code of conduct, etc., among others.

4. CORPORATE SOCIAL RESPONSIBILITY & ESG COMMITTEE

As on March 31, 2024, the Corporate Social Responsibility & Environment, Social & Governance Committee ("CSR & ESG Committee") comprised of four (4) Members including two (2) Independent Directors. Mr. Udaya Kumar is the Chairman of the Committee.

The functions of CSR&ESG Committee include formulation and monitoring of CSR&ESG Policies, recommending CSR Projects and budgets thereof, review of CSR initiatives undertaken/ to be undertaken by the Company, review of ESG targets & implementation of ESG projects and monitoring of the same and to do such other things as may be directed by the Board and in compliance with the applicable laws.

During the year under review, the CSR&ESG Committee met Four (4) times viz on 15.05.2023, 20.07.2023, 19.10.2023, and 18.01.2024. The details of attendance of the members at the said meetings are given below:

Date of Meeting	Udaya Kumar[1]	Jessie Paul[2]	Massimo Vita[3]	Manoj Kumar[4]
15.05.2023	✓	✓	✓	✓
20.07.2023	✓	✓	✓	✓
19.10.2023	✓	✓	✓	✓
18.01.2024	✓	✓	✓	✓

[1] *Member of the Committee since July 2017*
[2] *Member of the Committee since September 2020*
[3] *Member of the Committee since July 2017*
[4] *Member of the Committee since January 2020*

5. RISK MANAGEMENT COMMITTEE

The Company follows well-established and detailed risk assessment and minimization procedures as prescribed under applicable laws. The functions of the Risk Management Committee *inter-alia,* include monitoring and reviewing risk management plan, risk management policy, operational risk, credit risk, integrity risk, cyber security risk etc., and initiating strategic actions in mitigating risks associated with the business. The risk assessment and mitigation measures are reviewed by the Board periodically. The Company's risk management framework is also discussed in detail under Management Discussion and Analysis which forms part of this Annual Report.

As on March 31, 2024, the Risk Management Committee ("RMC") comprised of five (5) members. Mr. Massimo Vita is the Chairman, along with Mr. George Joseph, Mr. Sumit Kumar, Ms. Rekha Warriar and Mr. Udaya Kumar Hebbar as members of the committee. Mr. Firoz Anam, Chief Risk Officer is an invitee to the meetings.

During the year under review, RMC met 4 (four) times viz on 15.05.2023, 20.07.2023, 19.10.2023, and 16.01.2024. The details of attendance of members at the said meetings are:

Date of Meeting	Massimo Vita[1]	Rekha Warriar[2]	George Joseph[3]	Sumit Kumar[4]	Udaya Kumar[5]
15.05.2023	✓	✓	✓	✓	✓
20.07.2023	✓	✓	✓	✓	✓
19.10.2023	✓	×	✓	✓	✓
16.01.2024	✓	✓	✓	✓	✓

[1] *Member of the Committee since July 2017*
[2] *Member of the Committee since October 2022*
[3] *Member of the Committee since January 2018*
[4] *Member of the Committee since July 2017*
[5] *Member of the Committee since July 2017*

6. ASSET - LIABILITY MANAGEMENT COMMITTEE

The functions of the Assets-Liability Management ("ALM") Committee *inter-alia,* include addressing concerns regarding asset - liability mismatches, interest rate risk exposure, and achieving optimal return on capital employed while maintaining acceptable levels of risk including and relating to liquidity, market and operational aspects and adhering to the relevant policies and regulations.

As on March 31, 2024, the ALM Committee comprised of five (5) Members. Mr. Udaya Kumar Hebbar is the Chairman along with Mr. George Joseph, Mr. Massimo Vita, Mr. Sumit Kumar and Mr. Balakrishna Kamath, Chief Financial Officer (CFO) as members of the committee. CFO being the Head of Treasury function, is also Member of the Committee as per the applicable RBI Master Directions / Guidelines.

During the year under review, the ALM Committee met 4 (Four) times, on 15.05.2023, 20.07.2023, 19.10.2023 and 18.01.2024. The composition of ALM Committee and the details of attendance of members at the said Meetings are given below:

Date of Meeting	Udaya Kumar[1]	George Joseph[2]	Massimo Vita[3]	Sumit Kumar[4]	Balakrishna Kamath[5]
15.05.2023	✓	✓	✓	✓	✓
20.07.2023	✓	✓	✓	✓	✓
19.10.2023	✓	✓	✓	✓	✓
18.01.2024	✓	✓	✓	✓	✓

[1] *Member of the Committee since November 2015*
[2] *Member of the Committee since November 2015*
[3] *Member of the Committee since November 2016*
[4] *Member of the Committee since November 2020*
[5] *Member of the Committee since January 2021*

7. IT STRATEGY COMMITTEE

The functions of IT Strategy Committee ("ITSC") *inter-alia,* include approval of IT strategies and policy documents, ascertaining whether the Company's Management has implemented processes / practices which ensure that IT delivers value to business, that the budgets allocated vis-à-vis IT investments are commensurate, monitoring the method adopted to ascertain the IT resources needed to achieve strategic goals of the Company, to provide high level directions for sourcing and use of IT resources and to analyse major IT projects and to institute appropriate governance mechanism for outsourced processes and periodically reviewing the outsourced strategies.

As on March 31, 2024, ITSC comprised of Six (6) members including Mr. Sudesh Puthran, Chief Technology Officer and Mr. Ravi Rathinam, Chief Information Security Officer. Mr. Manoj Kumar is the Chairman of the committee.

During the year under review, ITSC met Four (4) times viz., 17.04.2023, 20.07.2023, 19.10.2023 and 18.01.2024. The details of attendance of members at the said Meetings are given below:

Date of Meeting	Manoj Kumar[1]	Sumit Kumar[2]	Udaya Kumar[3]	Paolo Brichetti[4]	Sudesh Puthran[5]	Ravi Rathinam[6]
17.04.2023	✓	✓	✓	✓	✓	✓
20.07.2023	✓	✓	✓	✓	✓	✓
19.10.2023	✓	✓	✓	✓	✓	✓
18.01.2024	✓	✓	✓	✓	✓	✓

[1] *Member of the Committee since January 2020*
[2] *Member of the Committee since July 2017*
[3] *Member of the Committee since July 2017*
[4] *Member of the Committee since October 2022*
[5] *Member of the Committee since October 2020*
[6] *Member of the Committee since June 2022*

8. EXECUTIVE, BORROWINGS & INVESTMENT (EBI) COMMITTEE

The EBI Committee is authorized by the Board of Directors to borrow money or avail credit facilities in any form whatsoever, up to the amount as approved by the Shareholders, to issue and allot debt securities for raising debt, to allot equity shares to the employees under ESOP plan of the Company, to invest funds of the company, to lend money, and to open/operating/closing of the bank accounts of the company.

As on March 31, 2024, EBI Committee comprised of four (4) members viz., Mr. Manoj Kumar, Independent Director, Mr. Udaya Kumar Hebbar, Managing Director, Mr. Ganesh Narayanan, Chief Executive Officer and Mr. Balakrishna Kamath, Chief Financial Officer. Mr. Udaya Kumar Hebbar is the Chairman of the Committee. During the year under review, Mr. Ganesh Narayanan, CEO was appointed as the Member of the Committee with effect from July 21, 2023.

During the year under review, the EBI committee met 43 times on April 19, 2023, April 29, 2023, May 16, 2023, May 31, 2023, June 06, 2023, June 14, 2023, June 19, 2023, June 23, 2023, June 30, 2023, July 07, 2023, July 17, 2023, July 28, 2023, August 07, 2023, August 08, 2023, August 10, 2023, August 14, 2023, August 18, 2023, August 19 2023, August 21, 2023, August 22, 2023, August 26, 2023, August 29, 2023, August 30, 2023, September 07, 2023, September 13, 2023, September 30, 2023, October 10, 2023, October 19, 2023, October 26, 2023, November 10, 2023, November 21, 2023, November 28, 2023, December 08, 2023, December 18, 2023, January 05, 2024, January 23, 2024, January 27, 2024, February 09, 2024, February 14, 2024, February 26, 2024, March 08, 2024, March 16, 2024, March 20, 2024, March 25, 2024, March 27, 2024 and March 28, 2024.

All the Members attended all the Meetings except Mr. Udaya Kumar for the Meetings held on 14.02.2024, 20.03.2024 and 25.03.2024, Mr. Balakrishna Kamath for the Meeting held on 26.02.2024, Mr. Manoj Kumar for the Meetings held on 07.08.2023, 08.08.2023, 14.08.2023 – 30.08.2023, 30.09.2023, 10.10.2023, 26.10.2023, 21.11.2023, 08.12.2023, 05.01.2024 & 16.03.2024 and Mr. Ganesh Narayanan for the Meetings held 07.08.2023 – 19.08.2023, 27.01.2024, 14.02.2024, 08.03.2024, 16.03.2024 and 25.03.2024.

IV. GENERAL MEETINGS

Details of last three Annual General Meetings held are given below:

Financial Year	Category	Location of the Meeting	Date	Time	Number of Special Resolutions passed
2022-2023	AGM	Registered Office (Video Conferencing)	August 25, 2023	03:00 PM	5
2021-2022	AGM	Registered Office (Video Conferencing)	July 25, 2022	03:00 PM	1
2020-2021	AGM	Registered Office (Video Conferencing)	July 30, 2021	03:00 PM	2

Details of resolutions passed through Postal Ballot: During the year under review, the following Resolution was placed for approval of the shareholders by Postal Ballot and approved with requisite majority:

Date of Notice: March 24, 2023

Voting period: March 27, 2023 to April 25, 2023

Date of declaration of Results: April 26, 2023

Name of the Scrutinizer: Mr. Rajiv Balakrishnan, Director – Beyond Compliance Corporate Services Private Limited

Particulars of the Resolution	Type of Resolution	Total Votes	Votes in Favour		Votes Against	
			No. of votes	%	No. of votes	%
Extension of Appointment of Mr. Udaya Kumar Hebbar (DIN: 07235226) as Managing Director & Chief Executive Officer of the Company, for a further period of 2 (Two) years	Ordinary	14,38,96,503	14,35,59,382	99.77	3,37,121	0.23

Procedure adopted for Postal Ballot:

The Postal Ballot has been carried out as per the procedure stipulated under the Companies (Management and Administration) Rules, 2014 and other applicable laws and regulations. Notice of the Postal Ballot ("Notice") dated March 24, 2023, was sent to the Members who had registered their email addresses with the Company / depository / depository participants and shareholders were provided with remote e-voting facility pursuant to Regulation 44 of the SEBI Regulations & the Act, as amended from time to time and the said Rules. For this purpose, the Company had engaged the services of KFin Technologies Limited ("KFintech"), Registrar and Share Transfer Agent ("RTA"). The Company also published Notice in the newspapers for the information of the members.

The results of E-voting along with the Scrutinizer's Report were declared on April 26, 2023 and displayed on the website of the Company: https://www.creditaccessgrameen.in/investors/shareholder-services/postal-ballot/ and the website of KFintech at https://evoting.kfintech.com. The same was also communicated to both the exchanges.

V. MEANS OF COMMUNICATION

Financial Results, Notices and other shareholders' information:

The quarterly, half-yearly and the annual (unaudited / audited, as applicable) financial results of the Company are published in one English and Regional language (Kannada) newspaper (viz., Financial Express and Vishwavani) respectively and are displayed on the Company's website. The financial results, Annual Reports, press releases and presentations made to institutional investors / analysts are also hosted on the Company's website https://www.creditaccessgrameen.in under Investors Section. The reports / information as mentioned above and filed by the Company from time to time are also available on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.

The Annual Report containing audited standalone and consolidated financial statements together with Auditors' Report, Report of Board of Directors, Report on Corporate Governance, Management Discussion & Analysis and other important information are being circulated to all the Members entitled to receive the same through permitted mode(s).

Corporate Filings with Stock Exchanges:

The Company is regular in filing various reports, certificates, intimations, etc. to the BSE Limited and National Stock Exchange of India Limited. This includes *inter-alia* filing of audited and unaudited financial results, shareholding pattern, Report on Corporate Governance, intimation of Board Meeting/General Meeting and its proceedings.

Investors Service:

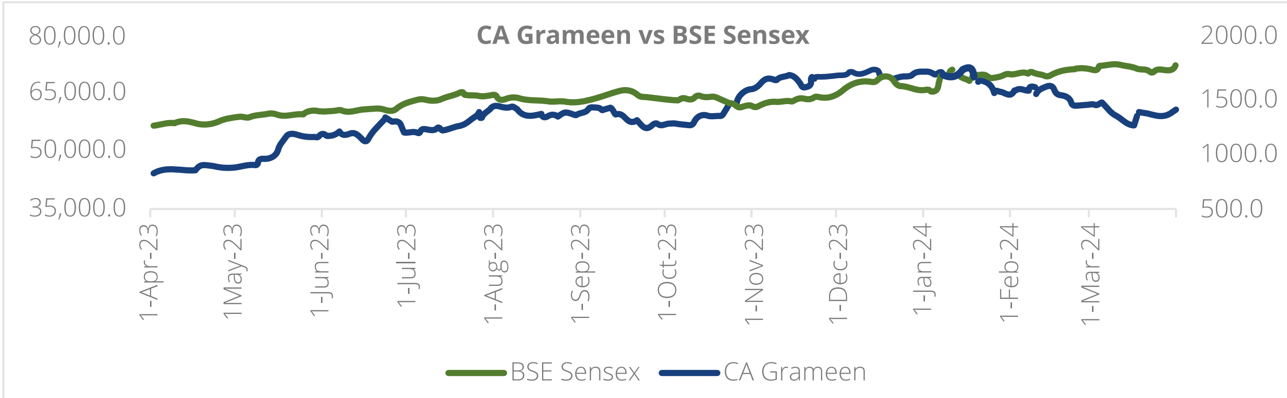
The Company has authorised KFintech to attend to investors' grievances. However, the Company also assists in resolving various investor grievances. The investors shall communicate their grievances through the e-mail id csinvestors@cagrameen.in, exclusively created for this purpose.

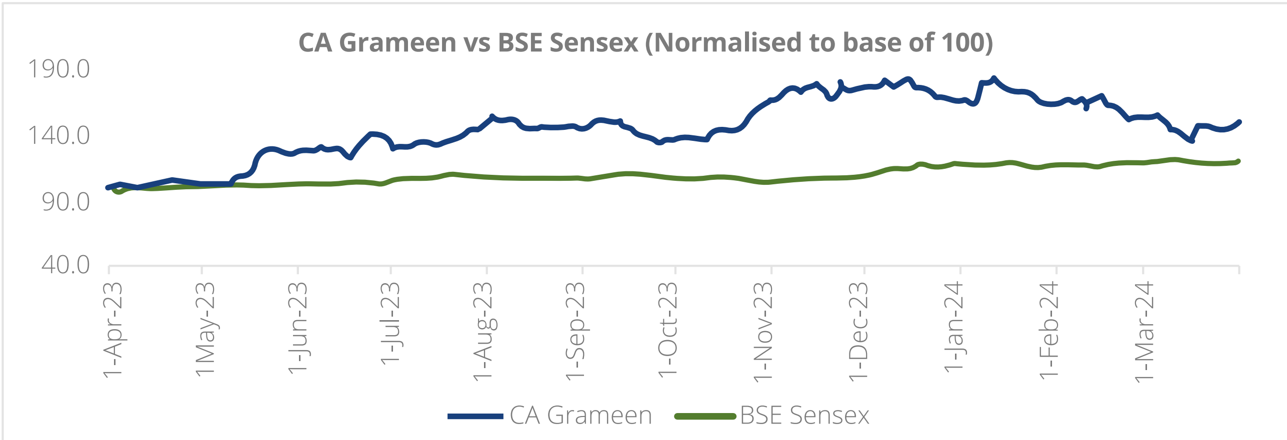
Day, Date and Mode of AGM	Day & Date: Monday, August 12, 2024 at 11:00 AM (IST) Mode: Through VC/OAVM pursuant to MCA General Circulars
Financial Year	April 01, 2024 to March 31, 2025
Dividend	One-time final dividend – ₹10 per fully paid-up equity share. If approved, shall be paid/credited on or before September 11, 2024
Date of Book Closure/ Record Date	As mentioned in the Notice of AGM
Name and address of the stock exchanges at which the listed entity's securities are listed:	**BSE Limited** Floor 25, P J Towers, Dalal Street, Mumbai -400001 **National Stock Exchange of India Limited** Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400 051
Listing Fees	Listing fees as applicable have been paid to the Stock Exchanges.
Stock Code	BSE – 541770 NSE – CREDITACC
ISIN	INE741K01010
Registration details	The Company is registered in the State of Karnataka. CIN of the Company is L51216KA1991PLC053425. The Company being a Non-banking Financial Company - Micro Finance Company (NBFC – MFI), is registered with the Reserve Bank of India (Certificate of Registration Number: B- 02.00252)
Market price data- high, low during each month in last financial Year	Details are provided in the table below
Registrar and Share Transfer Agent	KFIN Technologies Limited (Unit: CreditAccess Grameen Limited) Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032 Email: einward.ris@kfintech.com Phone No: 040-67162222, Fax No: 040-2300115
Share Transfer System	SEBI vide Notification dated June 8, 2018 had restricted effecting transfer of shares in physical form with effect from April 01, 2019. As on March 31, 2024, 99.99% shareholding was in dematerialised mode.
Distribution of shareholding (as on 31.03.2024)	Details are provided in the table below
Dematerialization of shares and liquidity (as on 31.03.2023)	99.99% shareholding was in dematerialised mode.
Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity date and likely impact on equity	Nil
Commodity price risk or foreign exchange risk and hedging activities	Nil
Plant locations	Being a financial services company, the Company has no plant locations.
Address for correspondence	Mr. M. J. Mahadev Prakash Company Secretary & Chief Compliance Officer CreditAccess Grameen Limited New No. 49, 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalayana Mantap), Bengaluru – 560070 Email: csinvestors@cagrameen.in Phone no: +91.80.22637300, Fax: +91.80.26643433

Stock Market Data from April 1, 2023 to March 31, 2024

Month	National Stock Exchange		BSE Limited	
	High Price	Low Price	High Price	Low Price
April, 2023	1,042.0	904.0	1,042.1	903.2
May, 2023	1,288.5	966.6	1,287.5	970.0
June, 2023	1,396.9	1,168.7	1,397.7	1,169.8
July, 2023	1,471.4	1,240.4	1,472.1	1,240.4
August, 2023	1,502.0	1,365.6	1,502.3	1,362.1
September, 2023	1,495.0	1,275.0	1,492.2	1,277.0
October, 2023	1,637.9	1,290.0	1,637.0	1,293.0
November, 2023	1,759.0	1,565.6	1,759.8	1,565.4
December, 2023	1,796.0	1,576.5	1,794.4	1,578.1
January, 2024	1,790.8	1,504.7	1,789.8	1,504.5
February, 2024	1,660.0	1,451.0	1,660.0	1,451.2
March, 2024	1,496.2	1,278.0	1,501.5	1,278.0

Movement of Company's shares in comparison with BSE Sensex





Distribution of shareholding as on March 31, 2024

Particulars	No. of Cases	Total shares	% of Shareholding
1-5000	69,490	26,48,668	1.66
5001- 10000	678	4,92,470	0.31
10001- 20000	262	3,75,824	0.24
20001- 30000	100	2,54,603	0.16
30001- 40000	57	1,95,174	0.12
40001- 50000	37	1,69,785	0.11
50001- 100000	94	6,73,309	0.42
100001& Above	278	15,45,67,134	96.98
Total	**70,996**	**15,93,76,967**	**100.00**

Particulars	No of Holders	No. of shares	%
Physical	11	2,669	0.00
NSDL	26,397	15,48,43,853	97.16
CDSL	44,588	45,30,445	2.84
Total:	**70996**	**159376967**	**100.00**

a. Related Party Transactions

During the year, the Company had entered into related party transactions on arms' length basis & in the ordinary course of business, which has been approved by the Audit Committee as well as by the Board of Directors. However, there has been no materially significant related party transactions that may have potential conflict with the interests of the Company at large during FY24. Further, the Company has a policy on materiality as well as on related party transactions which is hosted on our website at https://www.creditaccessgrameen.in/wp-contentuploads/2022/07/CreditAccess-Grameen_RelatedPartyTransactionPolicy_v4.pdf

b. Whistle-blower mechanism

The Company has established a whistle blower policy for the Directors and employees to report genuine concerns such as malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company. Further, the mechanism adopted by the Company provides for adequate safeguards against victimization of employees who avail such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. None of the personnel has been denied access to the Chairman of the Audit Committee. The details of the said policy are available on the website of the Company https://www.creditaccessgrameen.in/wp-content/uploads/2024/05/Credit-Access_Grameen_Whistle-Blower-Policy_Re-adoption_V3.pdf.

c. Policy for determining material subsidiaries

A Policy for determining material subsidiaries has been formulated and made available on our website at https://www.creditaccessgrameen.in/wp-content/uploads/2024/05/CreditAccess-Grameen_Policy-for-determining-Material-Subsidiary_Re-adoption_V1.pdf. Further, Corporate governance requirements with respect to subsidiary company are complied with by the Company.

d. Details of non-compliances by the company, penalties, strictures imposed on the company by the stock exchanges or SEBI or any statutory authorities on any matter related to capital markets during the last three years:

During the year under review, there have been no instances of non-compliance by the Company on any matters related to Labour Law, RBI, MCA, Income Tax and GST and other applicable Acts. However, during FY 2022-23 and 2021-22, following non-compliance were reported:

i. As per Regulation 57(4) of the SEBI Regulations, the Company was required to provide advance intimation to the Stock Exchanges regarding all the repayment obligation of principal and interest which are due during the subsequent quarter, for the listed NCDs. However, for the period July to September, 2022 and January to March, 2023, the Company had omitted to disclose one of the listed ISINs of its listed NCDs, although the repayment obligation with respect to said NCDs was duly met. Accordingly, a penalty of ₹1000/- imposed by BSE Limited was paid by the Company.

ii. Pursuant to Regulation 18 of the SEBI Regulations, the Company was required to constitute the Audit Committee with requisite majority of Independent Directors. However, due to interpretation issues, there was a delay in reconstituting the Audit Committee, for which the Company had paid a penalty of ₹2.00 Lakh each to the Stock Exchanges, during FY23 & FY24.

iii. During FY22, the Company had paid a penalty of ₹24,780/- to BSE Limited for delay in furnishing required information under Regulation 54(2) of SEBI Regulations with respect to extent & nature of security created and maintained with respect of secured listed NCDs.

e. Breach of Covenants

There was no breach of covenants of loans availed or debt securities issued by the Company as on March 31, 2024.

f. Mandatory Requirements

All mandatory requirements of the SEBI Regulations have been complied with.

g. Non-Mandatory Requirements

The Company has adopted the following discretionary requirements as specified in Part E of Schedule II:

I. Unmodified opinion in Audit Report: The Company has a record of unqualified financial statements since inception.

ii. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Company has complied with the requirement of having separate persons for the position of Chairman and Managing Director and Chief Executive Officer, Mr. George Joseph is the Chairman of the Company, Mr. Udaya Kumar Hebbar is the Managing Director and Mr. Ganesh Narayanan is the Chief Executive Officer of the Company.

iii. Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee.

h. Certification on non-incurrence of disqualification

M/s. Damodaran & Associates LLP, being the Secretarial Auditors of the Company for FY24, have issued a certificate to the Board confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies notified by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The said certificate is enclosed as **Annexure II** to this Report.

i. Credit Rating

The details with respect to Credit Ratings obtained by the Company are given in the Board's Report.

j. Disclosures relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There have been 8 (eight) instances of sexual harassment of women which were reported during the year under review.

k. Fees paid to Statutory Auditors

A consolidated fee of ₹ 12.50 million was paid to the Statutory Auditors by the Company for FY24.

l. Amount of funds raised through Perpetual Debt Instruments (PDIs) during the year and outstanding at the close of FY: **Nil**

m. Percentage of amount of PDIs of the amount of its Tier-1 Capital: **Not Applicable**

n. Financial Year in which interest on PDI has not been paid in accordance with Lock-in-clause of applicable regulations: **Not Applicable**

o. Details of auctions conducted during the year including number of loan accounts, outstanding amounts, value fetched and whether any of the sister concerns participated in the auctions: **Nil**

p. In case the securities are suspended from trading, the directors report shall explain the reason thereof: **Not Applicable**

q. No loans / advances have been granted to Subsidiaries during the year under review.

r. Details of utilization of funds raised through Qualified Institutions Placement as specified under Regulation 32 (7A) of the SEBI Regulations: **Not Applicable**

s. COMPLIANCE

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Regulations and amendments thereto, as applicable, with regard to Corporate Governance.

M/s. Damodaran & Associates LLP have certified that the Company has complied with the mandatory requirements as stipulated under SEBI Regulations. The said Certificate is enclosed as **Annexure III** to this Report.

t. CEO and CFO CERTIFICATION

CEO and CFO have given a certificate to the Board as per Regulation 17 of the SEBI Regulations. The said certificate is enclosed as **Annexure IV** to this Report.

u. CODE OF CONDUCT

The Company has laid down a Code of Conduct for the Members of Board of Directors and Senior Management Personnel. The Code of Conduct is available on the website of the company at https://www.creditaccessgrameen.in/wp-content/uploads/2023/08/CreditAccess-Grameen_Code-of-Conduct-for-Directors-and-SM_Policy_Latest_Version.pdf.

v. CODE OF CONDUCT AND FAIR DISCLOSURE FOR PROHIBITION OF INSIDER TRADING

The Company has put in place a Code of Conduct and Fair Disclosure for Prohibition of Insider Trading for its designated persons in compliance with SEBI (Prohibition of Insider Trading) Regulations 2015. This Code is to regulate monitor and report the trading in the Company's securities by the designated persons of the Company.

The Code of Conduct and Fair Disclosure for Prohibition of Insider Trading is available on the website of the Company at https://www.creditaccessgrameen.in/wp-content/uploads/2022/11/CreditAccess-Grameen_Policyon-Code-of-Conduct-Fair-Disclosures-Prohibition-of-Insider-Trading.pdf

w. EQUITY SHARES IN THE DEMAT SUSPENSE ACCOUNT

In accordance with the requirement of Regulation 34(3) and Schedule V Part F of SEBI Regulations, the Company reports that as on March 31, 2024, there are no equity shares lying in the demat suspense account which were issued in dematerialized form pursuant to the public issue of the Company.

x. Senior Management Personnel

As on the date of this report, the following officials constituted the Senior Management:

Sr. No.	Name	Designation
1.	Ganesh Narayanan	Chief Executive Officer
2.	Firoz Anam	Chief Risk Officer
3.	Gururaj Rao	Chief Audit Officer
4.	M J Mahadev Prakash	Company Secretary & Chief Compliance Officer
5.	Sadananda Balakrishna Kamath	Chief Financial Officer
6.	Sudesh Dinesh Puthran	Chief Technology Officer
7.	Arun Kumar B	Head - Strategy, Innovations & Analytics
8.	Nilesh Shrikrishna Dalvi	Head - Investor Relations

Annexure I to Report on Corporate Governance:

CEO Certification on Code of Conduct

I, Ganesh Narayanan, Chief Executive Officer (CEO) of CreditAccess Grameen Limited, do hereby certify that the Board of Directors and Senior Management personnel (Core Management Team) have affirmed compliance with the Code of Conduct of the Company as applicable to them, for the year ended March 31, 2024.

Ganesh Narayanan
CEO

Annexure II to Report on Corporate Governance

Certificate on Compliance

To
The Members of
CreditAccess Grameen Limited
Bangalore

We, M Damodaran & Associates LLP, Practicing Company Secretaries, have examined the compliance of the conditions of Corporate Governance by CreditAccess Grameen Limited ('the Company') (CIN: L51216KA1991PLC053425), Bangalore for the financial year ended on 31st March, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2), and paragraphs C and D of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance stipulated in the above-mentioned SEBI Regulations.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Chennai
Date: 25th May, 2024

For **M. DAMODARAN & ASSOCIATES LLP**

M. Damodaran
Managing Partner
FCS No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837F000447058

Annexure III to Report on Corporate Governance

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
CREDITACCESS GRAMEEN LIMITED,
Bangalore.

We, M Damodaran & Associates LLP, Practicing Company Secretaries, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CREDITACCESS GRAMEEN LIMITED having CIN - L51216KA1991PLC053425 and having registered office at New No. 49 (Old No. 725), 46th Cross, 8th Block, Jayanagar (Next to Rajalakshmi Kalyana Mantap), Bangalore – 560 070 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended **31st March, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1.	Mr. George Joseph	00253754	09/09/2015
2.	Mr. Paolo Brichetti	01908040	21/10/2022
3.	Ms. Lilian Jessie Paul	02864506	16/09/2020
4.	Mr. Manoj Kumar	02924675	30/10/2019
5.	Mr. Udaya Kumar Hebbar	07235226	15/07/2015
6.	Mr. Sumit Kumar	07415525	16/08/2016
7.	Mr. Massimo Vita	07863194	25/07/2017
8.	Ms. Rekha Gopal Warriar	08152356	21/10/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai
Date: May 25, 2024

For **M. DAMODARAN & ASSOCIATES LLP**

M. Damodaran
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837F000447071

Annexure II to Report on Corporate Governance

May 07, 2024

The Board of Directors
CreditAccess Grameen Limited
Bangalore – 560070

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

We have reviewed the financial statements and the cash flow statement for the Fourth quarter and year ended March 31, 2024 and to the best of our knowledge and belief:

i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

iii. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.

iv. We accept responsibility for establishing and maintaining internal controls for financial Reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.

v. We have indicated to the Auditors and Audit Committee that:

   a) There have been no significant changes in internal control over financial reporting during the period;

   b) There have been no significant changes in accounting policies during the period; and

   c) There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Ganesh Narayanan
Chief Executive Officer

Balakrishna Kamath
Chief Financial Officer

STANDALONE AUDITOR'S REPORT

Standalone Auditors' Report

PKF Sridhar & Santhanam LLP
Chartered Accountants
T8 & T9, Third Floor,Gem Plaza,
66, Infantry Road,Bengaluru 560 001

Phone: 080-41307244
Email: bangalore@pkfindia.in

Varma & Varma
Chartered Accountants
424, 4th C Main, 6th Cross, OMBR Layout,
Banaswadi, Bengaluru 560 043

Phone: 080 4244 4999
Email: bangalore@varmaandvarma.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CREDITACCESS GRAMEEN LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **CREDITACCESS GRAMEEN LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current financial year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How the key audit matter was addressed in our Audit
Impairment of Loans (Expected Credit Losses) (Refer note 3.14 & 26 of the standalone financial statements)	
The Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS requirements and the relevant Reserve Bank of India's (RBI) regulations/circulars. The recognition and measurement of impairment of loans involve significant management judgement. The Company's impairment allowance is derived from estimates including the historical default and loss ratios using criteria in accordance with Ind AS 109 and considering applicable RBI's regulations/ circulars. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans. Since the recognition and measurement of impairment of loans is significant to the overall audit due to stakeholder and regulatory focus, we have ascertained this as a key audit matter. The relevant disclosures are made in financial statements for ECL including those relating to judgements and estimates by the Management in determination of the ECL. Refer note 7(A), note 7(B) and note 41.2 to the standalone financial statements.	Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. These procedures included the following: - We examined Policy of Board of Directors approving the methodology for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Company. - We had performed the walkthrough of the ECL process. - We evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the classification of assets into stages. - We tested, on a sample basis, the input and historical data used for determining the Probability of Default (PD) and Loss Given Default (LGD) rates, model validation and agreed the data with the underlying books of account and records. We have also reviewed the system and processes relating to re-validation or re-assessment of various parameters and judgements involved in the same. - We tested the arithmetical calculation of the workings of the ECL. - We evaluated that the Company's impairment allowance is derived in accordance with Ind AS 109 which also include considering the impact of RBI's regulations/circulars. - We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 on ECL including judgements used in estimation of ECL provision.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board of Directors' Report and Annexures thereto, Management Discussion and Analysis and other information/reports included in the Company's annual report (the "Reports"), but does not include the standalone financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements as at and for the year ended March 31, 2023, have been audited by PKF Sridhar & Santhanam LLP, Chartered Accountants, one of the joint auditors of the Company, together with another auditor whose report dated May 16, 2023 expressed an unmodified opinion on those standalone financial statements. Accordingly, we, Varma & Varma, Chartered Accountants do not express any opinion on the figures and disclosures reported in the standalone financial statements as at and for the year ended March 31, 2023.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

    d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B", wherein we have expressed an unmodified opinion.

    g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        (i.) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 34 and 48(ix) to the standalone financial statements.

        (ii.) The Company has made provision, as required under the applicable accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts.

        (iii.) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

        (iv.) (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 48(vi)(A) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 48(vi)(B) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        (c) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b), contain any material misstatement.

        (v.) The Company has not declared or paid any dividend during the year. As stated in note 20.8 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

        (vi.) As stated in Note 46 to the standalone financial statements and according to the information and explanations given to us by the Company and based on our examination which included test checks, the Company has used the accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in such software, except that the feature of audit trail (edit log) facility at database level has been enabled during the month of March 2024 for the loan management system and partly enabled during the month of March 2024 for the general ledger accounting software.

        During the course of our audit, we did not come across any instance of audit trail feature being tampered with for the period for which audit trail was enabled.

        As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

    In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

PKF Sridhar & Santhanam LLP	**Varma & Varma**
Chartered Accountants (Firm's Registration No. 003990S/ S200018)	Chartered Accountants (Firm's Registration No.004532S)
Seethalakshmi M Partner Membership No. 208545 UDIN: 24208545BKAEMK7471	**K P Srinivas** Partner Membership No. 208520 UDIN: 24208520BKBLUR4678
Place: Bengaluru Date: May 07, 2024	Place: Bengaluru Date: May 07, 2024

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **CREDITACCESS GRAMEEN LIMITED** (the "Company") for the year ended March 31, 2024)

(i) According to the information and explanations given to us and based on the audit procedures performed by us, in respect of the Company's Property, Plant and Equipment and Intangible Assets, we report that:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment were physically verified during the year by the management in accordance with a regular program of verification, which, in our opinion, is reasonable and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties, (other than immovable properties where the company is a lessee and the lease agreements are duly executed in favour of the Company) disclosed in financial statements included in Property, Plant and Equipment are held in the name of the Company as at the Balance Sheet Date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use Assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March, 2024 for holding Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) According to the information and explanations given to us and based on the audit procedures performed by us,

(a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company is a Non-Banking Finance Company ('NBFC'), registered under section 45IA of the Reserve Bank of India Act, 1934 and rules made thereunder and has not made any investments other than investments in companies/ mutual funds. The Company has not provided any guarantee to companies, firms, limited liability partnerships or other parties and also has not granted loans or advances in the nature of Loans, secured or unsecured, to companies, firms, limited liability partnerships. In respect of loans or advances in the nature of Loans, secured or unsecured, granted to other parties and investments in companies/ mutual funds, we report that:

(a) The Company is a Non-Banking Finance Company, primarily engaged in Micro finance activities and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, the investments made and the terms and conditions of the grant of the loans and advances in the nature of loans provided, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Note 3.14 & 3.15 to the Standalone Financial Statements explain the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2024, aggregating ₹ 302.64 crore were categorised as credit impaired ("Stage 3") and ₹ 96.29 crore were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 7A and Note 7B to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 25,209.47 crore, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), delay in the repayment of interest and/or principal in respect of loans aggregating to ₹ 133.39 crore were also identified. In all other cases, the repayment of principal and interest is regular as at March 31, 2024. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) The total amount overdue for loan assets categorised as credit impaired ("Stage 3") which includes loan assets overdue for more than ninety days, as at the year ended March 31, 2024 is ₹ 302.64 crore in respect of 1,44,114 number of loan accounts. According to the information and explanations given to us by the Company, reasonable steps have been taken by the Company for recovery of the principal and interest thereon as stated in the applicable regulations and loan agreements.

(e) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting clause 3(iii)(e) of the Order is not applicable.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances during the year in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security to any party covered under the provisions of Section 185 of the Act. In respect of loans and investments, the Company has complied with the provisions of Section 186 as applicable.

(v) According to the information and explanations given to us, the Company being Non-Banking Finance Company registered with the Reserve Bank of India (the "RBI"), the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company and no order has been passed by the RBI or any Court or any other Tribunal against the Company in this regard.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of the nature of activities carried out by the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) According to information and explanations given to us and based on the audit procedures performed by us, in respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax and other material statutory dues, as applicable, with the appropriate authorities. There are no undisputed amounts payable in respect thereof which were outstanding at the year end for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of Statute/ laws	Nature of Dues	Amount (₹ Crore)	Period to which it relates	Forum where Dispute is Pending
Goods and Services Tax law	Goods and Services Tax	0.05	FY 2017-19 & FY 2018-19	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	46.02	FY 2021-22	Commissioner Income Tax (Appeals)
Goods and Services Tax law	Goods and Services Tax	3.85	FY 2018-19	Company is in the process of filling appeal against the order
Employee state insurance Act, 1948	Employee state insurance	0.09	FY 2018-19	Additional Commissioner (Appeals)
Employee Provident Fund and Miscellaneous Provisions Act, 1952.	Provident Fund	0.25*	FY 2010 – 11 & FY 2011 - 12	H'ble High Court of Madras

* Note: Against the demand, the Company has paid ₹ 0.06 Crores under protest.

(viii) Based on our audit procedures performed by us and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix) According to the information and explanations given to us and based on the audit procedures performed by us, in respect of borrowings we report that:

(a) the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

(d) On an overall examination of the financial statements of the Company, fund raised on short-term basis have, *prima facie*, not been used during the year for long term purposes by the company.

(e) On an overall examination of the financial statements of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.

(x) According to the information and explanations given to us and based on the audit procedures performed by us,

(a) money raised by way of public offer of debt instruments during the year, have been, *prima facie*, applied by the company for the purposes for which they were raised, other than temporary deployment pending application.

(b) the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) According to the information and explanations given to us and based on the audit procedures performed by us,

(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit, except for 6 cases as identified by the management relating to cash embezzlement by employees amounting to ₹ 0.31 Crores as stated under Note 43(v) to the standalone financial statements.

(b) No report under sub-section (12) of section 143 of the Act was filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) We have taken into consideration the whistle blower complaints received by the company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

(xiii) Based on our audit procedures performed by us, and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on the audit procedures performed by us,

(a) the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the Internal audit reports issued to the Company covering the period upto March 31, 2024.

(xv) According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) According to the information and explanations given to us and based on the audit procedures performed by us.

(a) the Company is engaged in the business of Non-Banking Financial Institution and has obtained a valid certificate of registration as required under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

(b) the Company has not conducted any non-banking financial activity without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. The housing finance activity carried out by the Company does not require obtaining a CoR as the Company is not a housing finance institution. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) the Company is not a Core Investment Company (CIC) as defined in the regulations. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) the Group does not have any Core Investment Company (CIC). Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses during the financial year and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Based on our audit procedures and according to the information and explanations given to us, the company does not have any unspent amount towards Corporate Social Responsibility (CSR) in respect of any ongoing or other than ongoing project as at the balance sheet date. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

PKF Sridhar & Santhanam LLP

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

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 24208545BKAEMK7471

Place: Bengaluru
Date: May 07, 2024

Varma & Varma

Chartered Accountants
(Firm's Registration No.004532S)

K P Srinivas
Partner
Membership No. 208520
UDIN: 24208520BKBLUR4678

Place: Bengaluru
Date: May 07, 2024

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to standalone financial statements of **CREDITACCESS GRAMEEN LIMITED** (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

PKF Sridhar & Santhanam LLP

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

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 24208545BKAEMK7471

Place: Bengaluru
Date: May 07, 2024

Varma & Varma

Chartered Accountants
(Firm's Registration No.004532S)

K P Srinivas
Partner
Membership No. 208520
UDIN: 24208520BKBLUR4678

Place: Bengaluru
Date: May 07, 2024

STANDALONE FINANCIAL STATEMENTS

Standalone Balance Sheet

as at March 31, 2024

₹ in crore

Sr.No	Particulars	Notes	As at March 31, 2024	As at March 31, 2023
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	4	1,107.17	1,341.40
(b)	Bank balance other than cash and cash equivalents	5	206.60	95.01
(c)	Derivative financial instruments	6	36.55	31.63
(d)	Loans	7	25,104.99	19,043.34
(e)	Investments	8	1,438.91	454.53
(f)	Other financial assets	9	121.39	149.59
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	30	55.63	39.56
(b)	Deferred tax assets (net)	30	136.92	80.93
(c)	Property, plant and equipment	11 (A)	32.06	32.06
(d)	Right of use assets	11 (A)	89.27	64.75
(e)	Intangible assets under development	11 (B)	4.54	3.94
(f)	Goodwill	45	375.68	375.68
(g)	Other Intangible assets	11 (A)	112.05	126.52
(h)	Other non-financial assets	10	24.25	19.12
	TOTAL ASSETS		**28,846.01**	**21,858.06**
	LIABILITIES AND EQUITY			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	12	-	0.10
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	12	36.52	43.95
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	12	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12	219.83	259.65
(b)	Debt securities	13	2,042.12	1,672.35
(c)	Borrowings (other than debt securities)	14	19,773.65	14,562.00
(d)	Subordinated liabilities	15	25.24	77.91
(e)	Other financial liabilities	16	106.43	78.90
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (Net)	30	-	0.56
(b)	Provisions	17	47.43	36.61
(c)	Other non-financial liabilities	18	24.84	19.09
(3)	**Equity**			
(a)	Equity share capital	19	159.38	158.91
(b)	Other equity	20	6,410.57	4,948.03
	Total liabilities and equity		**28,846.01**	**21,858.06**

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

Place: Bengaluru
Date: May 07, 2024

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

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

Ganesh Narayanan
Chief Executive Officer

Place: Bengaluru
Date: May 07, 2024

George Joseph
Chairman and Lead Independent Director
DIN: 00253754

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

₹ in crore

Sr.No	Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I	**Revenue from operations**			
(a)	Interest income	21	4,900.11	3,327.13
(b)	Fees and commission income	22	92.42	19.51
(c)	Net gain on fair value changes	23	34.51	18.14
(d)	Bad debts recovery		47.69	58.09
(e)	Net gain on derecognition of financial instruments under amortised cost category		91.94	122.25
	Total revenue from operations (I)		**5,166.67**	**3,545.12**
II	**Other income**	24	**5.98**	**5.64**
III	**Total income (I+II)**		**5,172.65**	**3,550.76**
IV	**Expenses**			
(a)	Finance costs	25	1,732.44	1,212.88
(b)	Fee and commission expense		3.90	1.80
(c)	Impairment on financial instruments	26	451.77	401.02
(d)	Employee benefit expenses	27	669.43	515.24
(e)	Depreciation and amortization expenses	28	51.15	49.84
(f)	Other expenses	29	324.78	264.59
	Total expenses (IV)		**3,233.47**	**2,445.37**
V	**Profit before tax (III-IV)**		**1,939.18**	**1,105.39**
VI	**Tax expense**	30		
	(1) Current tax		544.57	238.23
	(2) Deferred tax		(51.32)	41.13
	Total tax expense (VI)		**493.25**	**279.36**
VII	**Profit for the year (V-VI)**		**1,445.93**	**826.03**
VIII	**Other comprehensive income/ (loss)**			
(a)	Items that will not be reclassified to profit or loss			
	(i) Remeasurement of defined benefit obligation		(1.07)	(0.60)
	(ii) Tax effect on above		0.27	0.15
	Subtotal (a)		**(0.80)**	**(0.45)**
(b)	Items that will be reclassified to profit or loss			
	(i) Effective portion of cash flow hedges		(18.56)	11.84
	(ii) Tax effect on above		4.67	(2.98)
	Subtotal (b)		**(13.89)**	**8.86**
	Other comprehensive income / (loss) (VIII = a+b)		**(14.69)**	**8.41**
IX	**Total comprehensive income (VII+VIII) (comprising profit and other comprehensive income/(loss) for the year)**		**1,431.24**	**834.44**
X	**Earnings per equity share (EPS) (face value of ₹10.00 each)**	47		
	Basic (in ₹)		90.88	52.04
	Diluted (in ₹)		90.41	51.81

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Chartered Accountants
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Partner
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Date: May 07, 2024

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Chartered Accountants
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S Balakrishna Kamath
Chief Financial Officer

Place: Bengaluru
Date: May 07, 2024

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

a) Equity share capital

As at March 31, 2024 and March 31, 2023
Equity shares of ₹10 each issued, subscribed and fully paid.

Particulars	March 31, 2024		March 31, 2023	
	No of shares	₹ in crores	No of shares	₹ in crores
Restated balance at the beginning of the year	**158,906,443**	**158.91**	**155,866,346**	**155.87**
Changes in Equity Share Capital due to prior year errors	-	-	-	-
Restated balance at the beginning year	**158,906,443**	**158.91**	**155,866,346**	**155.87**
Changes in equity share capital during the year	470,524	0.47	3,040,097	3.04
Balance at the end of the year	**159,376,967**	**159.38**	**158,906,443**	**158.91**

b) Other equity

₹ in crore

Particulars	Reserve & Surplus					Shares to be issued	Debt instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedge	Total Other Equity (A)
	Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934) (Refer Note 20.3)	Capital reserve (Refer Note 20.2)	Securities premium	Share options outstanding account	Retained earnings				
As at March 31, 2022	**370.52**	**49.95**	**2,268.12**	**11.72**	**1,194.73**	**205.83**	**(90.22)**	**0.39**	**4,011.04**
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-
Restated balance As at April 1, 2022	**370.52**	**49.95**	**2,268.12**	**11.72**	**1,194.73**	**205.83**	**(90.22)**	**0.39**	**4,011.04**
Profit for the year	-	-	-	-	826.03	-	-	-	826.03
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(0.45)	-	90.22	8.86	98.63
Transferred From Share Option Outstanding on ESOPs Exercised	-	-	2.96	(2.96)	-	-	-	-	-
Securities Premium on ESOPs Exercised	-	-	4.36	-	-	-	-	-	4.36
Transferred to statutory reserves	165.21	-	-	-	(165.21)	-	-	-	-
Allotment of share as per the scheme of merger	-	-	203.15	-	-	(205.83)	-	-	(2.68)
Employee stock option compensation for the year	-	-	-	10.65	-	-	-	-	10.65
As at March 31, 2023	**535.73**	**49.95**	**2,478.59**	**19.41**	**1,855.10**	**-**	**-**	**9.25**	**4,948.03**
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-
Restated balance As at April 1, 2023	**535.73**	**49.95**	**2,478.59**	**19.41**	**1,855.10**	**-**	**-**	**9.25**	**4,948.03**
Profit for the year	-	-	-	-	1,445.93	-	-	-	1,445.93
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(0.80)	-	-	(13.89)	(14.69)
Transferred From Share Option Outstanding on ESOPs Exercised	-	-	4.95	(4.95)	-	-	-	-	-
Securities Premium on ESOPs Exercised	-	-	14.59	-	-	-	-	-	14.59
Transferred to statutory reserves	289.19	-	-	-	(289.19)	-	-	-	-
Employee stock option compensation for the year	-	-	-	16.71	-	-	-	-	16.71
As at March 31, 2024	**824.92**	**49.95**	**2,498.13**	**31.17**	**3,011.04**	**-**	**-**	**(4.64)**	**6,410.57**

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

Place: Bengaluru
Date: May 07, 2024

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

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

Ganesh Narayanan
Chief Executive Officer

Place: Bengaluru
Date: May 07, 2024

George Joseph
Chairman and Lead Independent Director
DIN: 00253754

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Standalone Statement of cash flows

for the year ended March 31, 2024

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities:		
Profit before tax	1,939.18	1,105.39
Adjustments for:		
Interest income on loans	(4,812.55)	(3,277.47)
Interest on deposits with banks and financial institutions	(40.85)	(31.04)
Income from government securities	(46.71)	(18.62)
Depreciation and amortisation expenses	51.15	49.84
Finance costs	1,732.44	1,212.88
Impairment on financial instruments	451.77	401.02
Net gain on financial instruments at fair value through profit and loss	(34.51)	(21.32)
Gain on derecognition of loans designated at fair value through other comprehensive income	-	3.18
Gain on derecognition of loans designated at amortised cost	(91.94)	(122.25)
Share based payments to employees	16.71	10.65
Provision for other assets	0.61	0.31
	(2,773.88)	**(1,792.82)**
Operational cash flows from interest:		
Interest received on loans	4,835.44	3,392.65
Finance costs paid	(1,719.97)	(1,213.20)
	3,115.47	**2,179.45**
Working capital changes:		
(Increase) in loans	(6,536.31)	(4,673.63)
Decrease in other financial assets	119.53	87.65
(Increase) in other non-financial assets	(4.83)	(8.92)
(Decrease)/Increase in trade and other payables	(47.35)	44.90
(Decrease) in other financial liabilities	(0.26)	(2.05)
Increase in provisions	9.75	4.77
Increase in other non-financial liabilities	5.75	5.57
	(6,453.72)	**(4,541.71)**
Income tax paid (net of refunds)	**(560.94)**	**(240.07)**
Net cash flows (used in) operating activities (A)	**(4,733.89)**	**(3,289.76)**
Cash flow from investing activities:		
Purchase of property, plant and equipment	(11.85)	(13.72)
Proceeds from sale of property, plant and equipment	0.02	0.05
Purchase of Intangible assets and expenditure on Intangible assets under development	(8.46)	(3.60)
Interest on deposits with banks and financial institutions	34.93	36.28
(Increase) / decrease in bank balance other than cash and cash equivalents	(105.66)	80.60
Purchase of investments	(11,811.41)	(7,154.34)
Sale of investments	11,048.00	7,175.66
Purchase of government securities	(989.77)	(832.35)
Sale of government securities	809.08	385.01
Income from government securities	40.92	11.99
Net cash flows (used in) investing activities (B)	**(994.20)**	**(314.42)**
Cash flow from financing activities:		
Debt securities issued/(repaid) (net)	386.08	256.34
Borrowings other than debt securities issued (net)	5,169.45	3,123.33
Subordinated liabilities repaid (net)	(52.76)	(0.44)
Payment of lease liability (net)	(23.97)	(18.89)
Proceeds on exercise of employee stock options	15.06	4.73
Net cash flows from financing activities (C)	**5,493.86**	**3,365.07**
Net (decrease) in cash and cash equivalents (A+B+C)	**(234.23)**	**(239.11)**
Cash and cash equivalents as at the beginning of the year (Refer Note 4)	1,341.40	1,580.51
Cash and cash equivalents as at the end of the year (Refer Note 4)	1,107.17	1,341.40

The accompanying notes are an integral part of the standalone financial statements.

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

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Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

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For and on behalf of Board of Directors of
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Managing Director
DIN: 07235226

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Chief Executive Officer

S Balakrishna Kamath
Chief Financial Officer

Place: Bengaluru
Date: May 07, 2024

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Notes to the standalone financial statements

for the year ended March 31, 2024

1. Corporate information

CreditAccess Grameen Limited (CIN - L51216KA1991PLC053425) is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and has got classified as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with effect from September 5, 2013. The Company's shares are listed on BSE Limited ('BSE') and National Stock Exchange of India Ltd ('NSE'). The Company being a Non-banking financial Company (NBFC – MFI), is registered with the Reserve Bank of India (Certificate of Registration Number: B- 02.00252). The Registered office of the Company is located at New No. 49 (Old No. 725), 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalyana Mantap) Bengaluru 560071, Karnataka, India.

The Company is engaged primarily in providing micro finance services to women and organized as Joint Liability Groups ('JLG') or Self Help Groups ('SHG'). In addition to the core business of providing micro-credit, the Company uses its distribution channel to provide certain other financial products and services to the members. The financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on May 07, 2024.

2. Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 (""the Act"").

The standalone financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period. The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crore, except when otherwise indicated. These standalone financial statements have been prepared on a going concern basis.

2.1. Presentation of standalone financial statements

The Company generally reports financial assets and financial liabilities on a gross basis in the balance sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

2.2. Critical accounting estimates and judgements

The preparation of the Company's standalone financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the standalone financial statements for e.g.:

- Business model assessment (Refer Note no. 3.13)
- Effective interest rate (EIR) (Refer Note no. 3.1.1 and 3.2)
- Impairment of financial assets (Refer Note no. 3.14)
- Provision for tax expenses (Refer note no. 3.10)
- Residual value and useful life of property, plant and equipment (Refer Note no. 3.3)
- Hedge accounting (Refer Note no. 3.18)

3. Material accounting policy information

This note provides a list of the material accounting policy information adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Revenue recognition

The Company's revenue primarily consists of interest income on loans, distribution income on the sale of other financial products and services to the members.

3.1.1 Interest income

Interest income for all financial instruments which are measured at amortised cost are recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument and includes any fees (such as processing fee) or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial assets cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

3.1.2 Fair value gain

The Company recognises gains on fair value change of financial assets measured at fair value through profit and loss (FVTPL) and realised gains on derecognition of financial asset measured at fair value through profit and loss (FVTPL) on net basis.

3.1.3 The Company also distributes insurance policies during the course of lending business. Distribution income is earned by selling such products of other entities under distribution arrangements. The income so earned is recognised on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

3.1.4 Income from assignment transactions

The Company considers direct Assignment or transfer of loan assets as one of the alternative mode or source of fund raising. Direct assignment policy restricts the direct assignment transaction outstanding i.e. sold balance outstanding, to be within 10% of projected Asset Under Management ('AUM'). Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised.

3.2 Finance cost

Borrowing cost on financial liabilities including towards securitisation transactions not derecognised by the Company are recognised by applying the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial liability. The calculation takes into account all contractual terms of the financial instrument and includes any fees (such as processing fee, duty etc) and such other incremental costs that are directly attributable and are an integral part of the EIR.

3.3 Property, plant and equipment ('PPE')

Initial Recognition and measurement:
PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

3.5 Depreciation and amortization

3.5.1 Depreciation

Depreciation on property, plant and equipment is measured using the straight line method as per the useful lives of the assets estimated by the management. The useful life estimated by the management is as under:

Category of Asset	Useful life (Years)
Furniture and fittings	10
Office equipments	05
Vehicles	08
Buildings	30
Electrical equipments	10
Computers (Including Servers)	03

Leasehold improvement is amortised on a straight line basis over the primary period of lease.

The management has estimated the useful life of servers and two-wheeler vehicles as 3 years and 8 years respectively, which are lower than those prescribed under Schedule II to the Act.

Property, plant and equipment costing less than ₹ 5000 per unit are fully depreciated in the year of purchase.

3.5.2 Amortisation of intangible assets

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The management has determined its estimate of useful economic life of computer software as five years. Customer relationship is amortised over a period of 10 years. The useful lives of intangible assets are reviewed at each financial year and adjusted if there are any such requirement.

3.5.3 Impairment of Goodwill

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses

For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating

units or groups of cash generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

In the case of Company, since both Company & erstwhile subsidiary were in similar business, entire business has been treated as one Cash Generating Unit (CGU). As required under the standard, this is the lowest level at which the goodwill is monitored for internal management purposes. In view of this, Company as a whole is valued as one CGU for the purpose of assessing the impairment of goodwill.

3.6 Impairment of non–financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.7 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.8 Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised. A contingent asset is disclosed, where an inflow of economic benefits is probable.

3.9 Employee benefits

The Company provides short term employee benefits i.e. expected to be settled wholly before twelve months after the end of the annual reporting period (such as salaries, wages, bonus etc), defined benefit plan (gratuity), retirement benefits (such as provident fund) and other employee benefits including employee stock options and other long term employee benefits.

3.9.1 Defined contribution plan

Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

3.9.2 Defined benefit plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Gains or losses through remeasurements of net benefit liabilities/ assets are recognised with corresponding charge/credit to the retained earnings through other comprehensive income in the period in which they occur.

3.9.3 Other employee benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

3.9.4 Share based payments

Equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 38.

The cost of equity-settled transactions is measured using the fair value method and recognised, together with a corresponding increase in the "Share options outstanding account" in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

3.10 Taxes

3.10.1 Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

3.10.2 Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.11 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.12 Segment information

The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

3.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.13.1 Financial Assets

Financial asset of the Company consists predominantly loan assets, liquidity maintained by Company during the course of business in the form of Cash and bank balances, investments and other receivables such as receivable from assignment of portfolio, security deposits etc.

3.13.1.1 Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

3.13.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- at amortised cost
- at fair value through other comprehensive income (FVTOCI)
- Investments in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

3.13.1.3 Loans at amortised costs

Loans are measured at the amortised cost if both the following conditions are met: (a) Such loan is held within a business model whose objective is to hold assets for collecting contractual cash flows, and (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account fees (such as processing fee) or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.13.1.4 Loans at fair value through other comprehensive income (FVTOCI)

Loans are classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Loans included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is recognised as interest income using the EIR method.

3.13.1.5 Investment in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

3.13.1.6 Cash and cash equivalents

Cash and cash equivalents, comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less, that are readily convertible to cash with an insignificant risk of changes in value.

3.13.1.7 Investments

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income (FVTOCI). All other investments are classified and measured as FVTPL only.

3.13.2 Financial Liabilities

3.13.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as such on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

3.13.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.13.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

3.13.4 De-recognition of financial assets and liabilities

3.13.4.1 De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset

  Or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.

- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:

- The Company has transferred substantially all the risks and rewards of the asset

  Or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss account.

3.13.4.2 De-recognition of financial liabilities

Financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or

modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.14 Impairment of financial assets

3.14.1 Overview of the Expected Credit Loss (ECL) allowance principles

The Company is recording the allowance for expected credit losses for all loans at amortised cost and FVOCI and other debt financial assets not held at FVTPL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The Company's policies for determining if there has been a significant increase in credit risk are set out in Note 41.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis for identified homogenous pool of loans. The Company's policy for grouping financial assets measured on a collective basis is explained in Note 41.

Accordingly, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs.

Stage 3: Loans considered credit-impaired (as outlined in Note 41). The Company records an allowance for the LTECLs.

For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) de-recognition of the financial asset.

3.14.2 The calculation of ECL

The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

ECL consists of three key components: Probability of Default (PD), Exposure at Default (EAD) and Loss given default (LGD). ECL is calculated by multiplying them. Refer Note 41 for explanation of the relevant terms.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

3.15 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss.

3.16 Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to

sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured are categorised with fair value hierachy into Level I, Level II and Level III based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

3.17 Foreign currency

Company enters to foreign currency transactions during the course of business predominantly relating to borrowing (availement/repayment of borrowing) and payment of fee/charges towards services/products such as license costs, maintenance charges etc.

3.17.1 All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

3.17.2 Foreign currency monetary items are reported using the exchange rate prevailing at the close of the period.

3.17.3 Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

3.18 Hedge accounting

The Company enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

Here, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'.

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item.

The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

3.19 Leases (where the Company is the lessee)

Company's lease assets primarily consists of equipments for information technology infrastructure/ servers and immovable properties for operating as branches.

Short term leases not covered under Ind AS 116 are classified as operating lease. Lease payments during the year are charged to statement of profit and loss. Future minimum rentals payable under non-cancellable operating leases.

The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

3.20 Recent Accounting pronouncements

3.20.1 Key New and amended standards adopted by the Company

(a) Ind AS 101 – First time adoption of Ind AS – Deferred tax assets and deferred tax liabilities to be recognized for all temporary differences associated with ROU assets, lease liabilities, decommissioning / restoration / similar liabilities.

(b) Ind AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting – Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

(c) Ind AS 107 – Financial Instruments: Disclosures – Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

(d) Ind AS 8 – Accounting policies, changes in accounting estimate and errors- – Clarification on what constitutes an accounting estimate provided.

(e) Ind AS 12 – Income Taxes – In case of a transaction which give rise to equal taxable and deductible temporary differences, the initial recognition exemption from deferred tax is no longer applicable and deferred tax liability & deferred tax asset shall be recognized on gross basis for such cases.

None of these amendments had any significant effect on the company's financial statements, except for disclosure of material accounting policy information instead of significant accounting policies in the financial statements.

3.20.2 Key Amendments applicable from next Financial year

For the year ended March 31,2024, the Ministry of Corporate Affairs has not notified any new standards or amendments to the existing standards applicable to the Company.

4 Cash and cash equivalents

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Cash on hand	2.75	12.43
Balances with banks in current accounts	279.51	211.01
Bank deposit with maturity of less than 3 months	824.91	1,117.96
Total	**1,107.17**	**1,341.40**

5 Bank balance other than cash and cash equivalents

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Fixed deposit with bank not considered as cash and cash equivalents*	206.60	95.01
Total	**206.60**	**95.01**

*Balances with banks to the extent held as margin money or security against the borrowings.

6 Derivative financial instruments

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Part I		
(i) Cross currency interest rate swap derivatives: #		
Fair value Assets		
Cross currency interest rate swaps	36.55	31.63
Total	**36.55**	**31.63**
Part II		
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:		
(i) Cash flow hedging:		
Fair value Assets		
Cross currency interest rate swaps	36.55	31.63
Total	**36.55**	**31.63**

Notional amounts of Cross currency interest rate swaps of ₹ 3,612.86 crore (March 31, 2023 : ₹ 1,575.32 crore).

7 Loans $

₹ in crore

Particulars	March 31, 2024			March 31, 2023		
	Amortised cost	At fair value through OCI	Total	Amortised cost	At fair value through OCI#	Total
(A) Term loans:						
Group lending **	24,906.24	-	24,906.24	19,224.27	-	19,224.27
Individual loans	702.16	-	702.16	166.92	-	166.92
Total - Gross	**25,608.40**	**-**	**25,608.40**	**19,391.19**	**-**	**19,391.19**
Less: Impairment loss allowance	503.41	-	503.41	347.85	-	347.85
Total - Net	**25,104.99**	**-**	**25,104.99**	**19,043.34**	**-**	**19,043.34**
(B) (a) Secured by tangible assets	196.64	-	196.64	60.21	-	60.21
(b) Unsecured	25,411.76	-	25,411.76	19,330.98	-	19,330.98
Total - Gross	**25,608.40**	**-**	**25,608.40**	**19,391.19**	**-**	**19,391.19**
Less: Impairment loss allowance	503.41	-	503.41	347.85	-	347.85
Total - Net	**25,104.99**	**-**	**25,104.99**	**19,043.34**	**-**	**19,043.34**
(C) (I) Loans in India						
(a) Public sector	-	-	-	-	-	-
(b) Others	25,608.40	-	25,608.40	19,391.19	-	19,391.19
Total - Gross	**25,608.40**	**-**	**25,608.40**	**19,391.19**	**-**	**19,391.19**
Less: Impairment loss allowance	503.41	-	503.41	347.85	-	347.85
Total - Net	**25,104.99**	**-**	**25,104.99**	**19,043.34**	**-**	**19,043.34**
(D) (II) Loans outside India	**-**	**-**	**-**	**-**	**-**	**-**
Less: Impairment loss allowance	-	-	-	-	-	-
Total - Net	**-**	**-**	**-**	**-**	**-**	**-**

** Group Lending includes both Joint Liability Loans and Self Help Group Loans including securitized assets.

During the quarter ended June 30, 2022, the Company had reassessed its business model and concluded that Income Generating Loans (IGL) are primarily intended to collect contractual cash flows being solely payments of principal and interest on the principal amount outstanding. Accordingly, as required under Ind AS 109, IGL loans portfolio which were earlier classified as and valued at "Fair Value through other Comprehensive Income" have been classified as and valued at "Amortised cost" with effect from July 01, 2022. Consequently, the Company has reversed accumulated fair value loss of ₹ 84.14 crores on such IGL loans and related deferred tax of ₹ 21.18 crores in other equity on July 01, 2022.

$ The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013),either severally or jointly with any other person that are - (a) repayable on demand or (b) without specifying any terms or period of repayment.

7(A) Group lending loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Group lending loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2023	**18,951.34**	**42.88**	**230.05**	**19,224.27**
(a) New assets originated or purchased	22,333.33	-	-	22,333.33
(b) Asset derecognised or repaid (Excluding write offs) #	(16,290.44)	(30.26)	(40.23)	(16,360.93)
Assets written off during the year	-	-	(290.43)	(290.43)
Movement between stages				
Transfer from Stage 1	(496.68)	286.37	210.31	-
Transfer from Stage 2	7.88	(203.60)	195.72	-
Transfer from Stage 3	2.94	0.41	(3.35)	-
Gross carrying value of assets as at March 31, 2024	**24,508.37**	**95.80**	**302.07**	**24,906.24**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2023	**154.04**	**20.69**	**163.62**	**338.36**
(a) New assets originated or purchased	200.80	-	-	200.80
(b) Asset derecognised or repaid (Excluding write offs) #	(139.75)	(15.48)	(27.94)	(183.18)
Assets written off during the year	-	-	(290.43)	(290.43)
Movement between stages				
Transfer from Stage 1	(4.62)	2.64	1.98	-
Transfer from Stage 2	4.36	(110.76)	106.40	-
Transfer from Stage 3	2.08	0.28	(2.36)	-
Impact on ECL on account of movement between stages	3.46	156.33	263.06	422.85
ECL allowance as at March 31, 2024	**220.37**	**53.70**	**214.33**	**488.40**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2022	**14,402.74**	**180.67**	**518.97**	**15,102.38**
(a) New assets originated or purchased	18,281.23	-	-	18,281.23
(b) Asset derecognised or repaid (Excluding write offs) #	(13,443.55)	(75.29)	(91.55)	(13,610.39)
Assets written off during the year	-	-	(548.95)	(548.95)
Movement between stages				
Transfer from Stage 1	(371.14)	179.19	191.95	-
Transfer from Stage 2	50.95	(243.85)	192.90	-
Transfer from Stage 3	31.11	2.16	(33.27)	-
Gross carrying value of assets as at March 31, 2023	**18,951.34**	**42.88**	**230.05**	**19,224.27**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2022	**113.60**	**53.39**	**324.55**	**491.54**
(a) New assets originated or purchased	148.42	-	-	148.42
(b) Asset derecognised or repaid (Excluding write offs) #	(107.72)	(29.20)	(61.46)	(198.38)
Assets written off during the year	-	-	(548.95)	(548.95)
Movement between stages				
Transfer from Stage 1	(3.20)	1.47	1.73	-
Transfer from Stage 2	26.82	(122.69)	95.86	-
Transfer from Stage 3	22.51	1.55	(24.06)	-
Impact on ECL on account of movement between stages	(46.39)	116.17	375.95	445.73
ECL allowance as at March 31, 2023	**154.04**	**20.69**	**163.62**	**338.36**

Represents balancing figure.

7(B) Individual lending

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Individual lending loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2023	**159.94**	**0.64**	**6.34**	**166.92**
(a) New assets originated or purchased	655.00	-	-	655.00
(b) Asset derecognised or repaid (Excluding write offs) #	(112.33)	(0.44)	(1.22)	(113.99)
Assets written off during the year	-	-	(5.77)	(5.77)
Movement between stages				
Transfer from Stage 1	(1.70)	1.44	0.26	-
Transfer from Stage 2	0.16	(1.15)	0.99	-
Transfer from Stage 3	0.03	-	(0.03)	-
Gross carrying value of assets as at March 31, 2024	**701.10**	**0.49**	**0.57**	**702.16**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2023	**3.23**	**0.33**	**5.93**	**9.49**
(a) New assets originated or purchased	13.29			13.29
(b) Asset derecognised or repaid (Excluding write offs) #	(2.28)	(0.22)	(1.13)	(3.63)
Assets written off during the year	-	-	(5.77)	(5.77)
Movement between stages				
Transfer from Stage 1	(0.04)	0.03	0.01	-
Transfer from Stage 2	0.07	(0.57)	0.50	-
Transfer from Stage 3	0.03	-	(0.03)	-
Impact on ECL on account of movement between stages	(0.09)	0.69	1.03	1.63
ECL allowance as at March 31, 2024	**14.21**	**0.26**	**0.54**	**15.01**

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2022	**151.99**	**5.14**	**39.68**	**196.81**
(a) New assets originated or purchased	143.06	-	-	143.06
(b) Asset derecognised or repaid (Excluding write offs) #	(126.90)	(1.79)	(6.24)	(134.93)
Assets written off during the year	-	-	(38.02)	(38.02)
Movement between stages				
Transfer from Stage 1	(8.72)	6.27	2.45	-
Transfer from Stage 2	0.20	(9.19)	8.99	-
Transfer from Stage 3	0.31	0.21	(0.52)	-
Gross carrying value of assets as at March 31, 2023	**159.94**	**0.64**	**6.34**	**166.92**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2022	**3.04**	**2.53**	**36.75**	**42.32**
(a) New assets originated or purchased	2.91	-	-	2.91
(b) Asset derecognised or repaid (Excluding write offs) #	(2.57)	(0.89)	(5.80)	(9.26)
Assets written off during the year	-	-	(38.02)	(38.02)
Movement between stages				
Transfer from Stage 1	(0.18)	0.13	0.05	-
Transfer from Stage 2	0.10	(4.60)	4.50	-
Transfer from Stage 3	0.29	0.20	(0.49)	-
Impact on ECL on account of movement between stages	(0.36)	2.96	8.94	11.54
ECL allowance as at March 31, 2023	**3.23**	**0.33**	**5.93**	**9.49**

Represents balancing figure.

8 Investments*

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Investments		
(i) At fair value through profit and loss		
(a) Alpha Microfinance Consultants Private Ltd (Unquoted fully paid equity shares)	0.54	0.54
(b) Mutual funds (quoted)	797.91	-
(ii) Creditaccess India Foundation (at cost) (Unquoted)	0.01	0.01
(iii) Investment in Government Securities (amortised cost) (quoted)	640.45	453.98
Total	**1,438.91**	**454.53**

* All Investment in Note 8 above are within India.

Madura Micro Education Private Limited ("MMEPL") (One of the erstwhile 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.

9 Other financial assets

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Receivable from assignment of portfolio (unsecured, considered good)	64.72	104.44
Security deposits (unsecured, considered good)*	15.32	14.13
Loans and advances to employees (unsecured, considered good)	13.80	14.42
Other financial assets		
Unsecured, considered good	27.55	16.60
Unsecured, considered doubtful	1.06	0.50
Less: Provision for doubtful advances	(1.06)	(0.50)
Total	**121.39**	**149.59**

* Includes an amount of ₹ 0.06 crore (Previous year ₹ 0.06 crore) paid under protest towards PF Notice (Refer Note.34)

10 Other non-financial assets

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Prepaid expenses	18.60	13.14
Advances to employees	0.03	0.03
Capital Advance	0.30	-
Other advances		
Unsecured, considered good	5.32	5.95
Unsecured, considered doubtful	1.87	2.28
Less: Provision for doubtful advances	(1.87)	(2.28)
Total	**24.25**	**19.12**

11(A)

₹ in crore

Particulars	Property, plant and equipment									Right of use assets			Other Intangible assets		
	Computer	Electrical Equipment	Furniture & Fixtures	Leasehold Improvement	Office equipment	Vehicles	Freehold land	Buildings	Total	Buildings	Computer	Total	Computer software	Customer relationship	Total
Cost:															
At March 31, 2022	**21.23**	**1.08**	**13.70**	**9.92**	**23.20**	**0.88**	**5.81**	**0.21**	**76.03**	**24.25**	**81.79**	**106.04**	**38.97**	**162.82**	**201.79**
Additions	5.26	0.20	2.65	0.67	4.71	0.29	-	-	13.78	4.97	-	4.97	2.74	-	2.74
Disposals	(0.02)	(0.02)	(0.05)	-	(0.96)	(0.20)	-	-	(1.25)	-	(1.61)	(1.61)	(0.66)	-	(0.66)
At March 31, 2023	**26.47**	**1.26**	**16.30**	**10.59**	**26.95**	**0.97**	**5.81**	**0.21**	**88.56**	**29.22**	**80.18**	**109.40**	**41.05**	**162.82**	**203.87**
Additions	3.54	-	3.27	0.15	4.82	-	-	-	11.78	8.48	33.30	41.78	7.77	-	7.77
Disposals	(1.29)	(0.02)	(0.08)	-	(1.09)	-	-	-	(2.48)	(7.39)	(2.34)	(9.73)	(0.52)	-	(0.52)
At March 31, 2024	**28.72**	**1.24**	**19.49**	**10.74**	**30.68**	**0.97**	**5.81**	**0.21**	**97.86**	**30.31**	**111.14**	**141.45**	**48.30**	**162.82**	**211.12**
Depreciation/Amortisation:															
At March 31, 2022	**15.40**	**0.90**	**8.08**	**6.68**	**12.63**	**0.55**	**-**	**0.02**	**44.25**	**11.89**	**19.39**	**31.28**	**21.82**	**33.32**	**55.14**
Depreciation/Amortisation charge for the year	3.99	0.24	1.56	1.34	6.14	0.10	-	0.01	13.38	4.35	9.24	13.59	6.45	16.42	22.87
Disposals	(0.02)	(0.01)	(0.05)	-	(0.85)	(0.20)	-	-	(1.13)	-	(0.22)	(0.22)	(0.66)	-	(0.66)
At March 31, 2023	**19.37**	**1.13**	**9.59**	**8.02**	**17.92**	**0.45**	**-**	**0.03**	**56.50**	**16.24**	**28.41**	**44.65**	**27.61**	**49.74**	**77.35**
Depreciation/Amortisation charge for the year	4.28	0.04	1.96	0.87	4.39	0.10	-	0.01	11.65	5.18	12.08	17.26	6.18	16.06	22.24
Disposals	(1.28)	(0.02)	(0.07)	-	(0.98)	-	-	-	(2.35)	(7.39)	(2.34)	(9.73)	(0.52)	-	(0.52)
At March 31, 2024	**22.37**	**1.15**	**11.48**	**8.89**	**21.33**	**0.55**	**-**	**0.04**	**65.80**	**14.03**	**38.15**	**52.18**	**33.27**	**65.80**	**99.07**
Net book value:															
At March 31, 2022	5.83	0.18	5.62	3.24	10.57	0.33	5.81	0.19	31.78	12.36	62.41	74.76	17.15	129.50	146.65
At March 31, 2023	7.10	0.13	6.71	2.57	9.03	0.52	5.81	0.18	32.06	12.98	51.77	64.75	13.44	113.08	126.52
At March 31, 2024	6.35	0.09	8.01	1.85	9.35	0.42	5.81	0.17	32.06	16.28	72.99	89.27	15.03	97.02	112.05

Note:

(i) There were no change due to revaluation and changes due to impairment losses in current and previous years.

(ii) There are no immovable properties whose title deed are not held in name of the Company or are jointly held with others.

11(B) (i) Intangible assets under development*

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Opening	**3.94**	**3.07**
Additions during the year	7.17	2.86
Less: Capitalised during the year	(6.57)	(1.99)
Closing	**4.54**	**3.94**

* Computer software.

(ii) Intangible assets under development*

₹ in crore

Particulars	March 31, 2024				March 31, 2023			
	Amount in Intangible assets under development for a period of				Amount in Intangible assets under development for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**3.98**	**0.56**	**-**	**-**	**1.90**	**2.04**	**-**	**-**

* There was no Project which was temporarily suspended as at March 31, 2024 and March 31, 2023.

12 Payables

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (refer Note below)	-	0.10
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	36.52	43.95
Total	**36.52**	**44.05**
Other payables		
(i) Total outstanding dues of micro enterprises and small enterprises (refer Note below)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	219.83	259.65
Total	**219.83**	**259.65**
Total Payable	**256.35**	**303.70**

Note:

(A) Dues to micro enterprises and small enterprises:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	0.10
(ii) the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	0.00
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	0.00
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

(B) Trade Payables ageing schedule*

₹ in crore

Particulars	Outstanding for following periods from due dateof payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	March 31, 2024				
(i) MSME	-	-	-	-	-
(ii) Others	36.52	-	-	-	36.52
	March 31, 2023				
(i) MSME	0.10	-	-	-	0.10
(ii) Others	43.95	-	-	-	43.95

* There were no disputed payable as at March 31, 2024 and March 31, 2023.

13 Debt securities (at amortised cost)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Debentures (secured)	2,042.12	1,672.35
Total	**2,042.12**	**1,672.35**
Debt securities in India	2,042.12	1,672.35
Debt securities outside India	-	-
Total	**2,042.12**	**1,672.35**

Nature of security

The above debentures are secured by the way of first and exclusive charge over eligible specified book debts of the Company.

Debentures (secured) (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount (₹ in crore)	
	March 31, 2024	March 31, 2023		March 31, 2024	March 31, 2023
9.70% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Five years from the date of allotment i.e. September 7, 2023.	2,532,310	-	1,000	251.71	-
10.13% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Five years from the date of allotment i.e. September 7, 2023.	177,953	-	1,000	18.56	-
10.00% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after five years from the date of allotment i.e. November 23, 2022.	554,955	554,955	1,000	54.88	54.64
10.46% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after five years from the date of allotment i.e. November 23, 2022.	82,444	82,444	1,000	9.34	8.37
9.40% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Four years Two months from the date of allotment i.e. September 7, 2023.	53,530	-	1,000	5.32	-
9.81% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Four years Two months from the date of allotment i.e. September 7, 2023.	17,691	-	1,000	1.84	-
10.15% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after four years from the date of allotment i.e. November 18, 2022.	2,400	2,400	1,000,000	247.14	246.50
9.25% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Two years Nine months from the date of allotment i.e. September 7, 2023	3,394,835	-	1,000	337.77	-
9.64% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Two years Nine months from the date of allotment i.e. September 7, 2023.	177,658	-	1,000	18.51	-

Debentures (secured) (at amortised cost)

9.60% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after three years from the date of allotment i.e. November 23, 2022.	2,124,936	2,124,936	1,000	210.80	209.40
10.02% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after three years from the date of allotment i.e. November 23, 2022.	133,912	133,912	1,000	15.09	13.62
9.10% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Two years from the date of allotment i.e. September 7, 2023.	3,225,661	-	1,000	321.17	-
9.48% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Two years from the date of allotment i.e. September 7, 2023	316,156	-	1,000	32.95	-
9.70% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. March 11, 2022.	552	552	1,000,000	55.16	55.13
8.45% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after two years and three months from the date of allotment i.e. September 27, 2022.	600	600	1,000,000	67.19	61.86
9.45% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after two years from the date of allotment i.e. November 23, 2022.	1,853,133	1,853,133	1,000	184.58	182.81
9.83% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after two years from the date of allotment i.e. November 23, 2022.	250,620	250,620	1,000	28.29	25.50
9.50% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after five years from the date of allotment i.e. November 8, 2019.	1,070	2,140	1,000,000	110.82	221.07

Debentures (secured) (at amortised cost)

9.90% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years and fifteen days from the date of allotment i.e. April 30, 2021.	710	710	1,000,000	71.00	70.96
10.50% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after thirty four months from the date of allotment i.e. June 29, 2020.	-	240	1,000,000	-	24.27
9.81% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. July 31, 2020.	-	84	1,000,000	-	8.46
10.00% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. June 26, 2020.	-	500	1,000,000	-	53.74
10.05% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. July 3, 2020.	-	300	1,000,000	-	32.20
9.95% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after thirty four months from the date of allotment i.e. July 27, 2020.	-	1,000	1,000,000	-	106.72
12.61% (March 31, 2023 : 10.42%) Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. March 31, 2021.	-	1,450	1,000,000	-	144.96
8.56% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after two years and five days from the date of allotment i.e. August 31, 2021.	-	1,000	1,000,000	-	113.12

Debentures (secured) (at amortised cost)

11.68% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable at par at the end of six years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. September 28, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	-	195	1,000,000	-	19.51
13.88% (March 31, 2023: 11.48%) Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable at par at the end of six years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. September 28, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	-	195	1,000,000	-	19.51
Total	**1,49,01,126**	**5,011,366**		**2,042.12**	**1,672.35**

Note: The rates mentioned above are the original coupons rates as per the individual contracts.

14 Borrowings (other than debt securities) (at amortised cost)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Term loans (secured)		
Banks	13,004.99	10,740.33
Financials institutions	2,417.36	1,525.75
Non-banking financial companies	642.24	597.47
External commercial borrowings	3,558.78	1,473.77
Term loans (unsecured)		
External commercial borrowings	128.07	125.88
Non banking financial companies	-	-
Collateralised borrowings from Banks (Refer Note 33) (arising on account of securitisation)	22.21	98.80
Total	**19,773.65**	**14,562.00**
Borrowings in India	16,086.80	12,962.35
Borrowings outside India	3,686.85	1,599.65
Total	**19,773.65**	**14,562.00**

Note:

(1) The term loans are secured by unsecured microfinance loans to the extent of minimum 100% of outstanding. Further in respect of borrowings (including Debentures) drawn during last quarter 4 of FY 2023-24 aggregating to ₹ 2,113.47 crore (drawn during last quarter of Previous year ₹1,694.44 crore), the Company is in the process of assigning the book debts in due course as per the sanction terms. The borrowings have not been guaranteed by directors or others.

(2) Term loans availed during the year were applied for the purposes for which the loans were obtained, other than temporary deployment pending application.

14.1 Delay in repayment

There were no delay in repayment of borrowings as at March 31, 2024 and March 31, 2023.

15 Subordinated liabilities (at amortised cost)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Unsecured:		
Term Loan	25.24	25.26
Debentures	-	52.65
Total	**25.24**	**77.91**
Subordinated Liabilities in India	25.24	77.91
Subordinated Liabilities outside India	-	-
Total	**25.24**	**77.91**

Terms of repayment of borrowings as on March 31, 2024

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
				No. of in-stallments	Amount (in Rupees)	No. of in-stallments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	
Debentures	Half Yearly	Above 3 years	9.5% - 10%	2	107.00	-	-	-	-	-	-	-	-	-	-	107.00
	Bullet	1-3 years	8% - 8.5%	1	60.00	-	-	-	-	-	-	-	-	-	-	60.00
			9% -9.5%	1	185.31	2	354.18	1	339.48	-	-	-	-	-	-	878.97
			9.5% - 10%	2	80.26	1	212.49	1	17.77	-	-	-	-	-	-	310.52
			10% - 10.5%	-	-	1	13.39	-	-	-	-	-	-	-	-	13.39
		Above 3 years	9% - 9.5%	-	-	-	-	-	-	1	5.35	-	-	-	-	5.35
			9.5% - 10%	1	71.00	-	-	-	-	1	1.77	1	253.23	-	-	326.00
			10% - 10.5%	-	-	-	-	-	-	2	63.74	1	17.80	-	-	81.54
	Annually	Above 3 years	10% - 10.5%	-	-	1	48.00	1	192.00	-	-	-	-	-	-	240.00
Term Loan from Banks	Monthly	1-3 years	8.5% - 9%	107	676.92	58	187.08	5	22.22	-	-	-	-	-	-	886.22
			9% - 9.5%	746	3,258.51	415	2,141.86	102	487.74	-	-	-	-	-	-	5,888.11
			9.5% - 10%	546	1,829.70	231	703.70	45	108.27	-	-	-	-	-	-	2,641.67
			10% - 10.5%	100	167.97	-	-	-	-	-	-	-	-	-	-	167.97
			10.5% - 11%	18	14.08	-	-	-	-	-	-	-	-	-	-	14.08
			11% - 11.5%	2	6.25	-	-	-	-	-	-	-	-	-	-	6.25
			11.5% - 12%	8	11.44	-	-	-	-	-	-	-	-	-	-	11.44
		Above 3 years	8.5% - 9%	26	110.28	12	90.91	9	68.18	-	-	-	-	-	-	269.37
			9% - 9.5%	81	537.08	81	544.09	48	275.59	-	-	-	-	-	-	1,356.76
			9.5% - 10%	23	38.33	3	2.50	-	-	-	-	-	-	-	-	40.83
			10% - 10.5%	24	18.18	6	4.55	-	-	-	-	-	-	-	-	22.73
			10.5% - 11%	12	1.21	12	1.35	6	0.77	-	-	-	-	-	-	3.33
	Quarterly	1-3 years	8.5% - 9%	13	115.86	4	2.00	1	0.50	-	-	-	-	-	-	118.36
			9% - 9.5%	25	286.15	17	224.86	8	48.50	-	-	-	-	-	-	559.51
			9.5% - 10.0%	21	220.91	9	104.35	3	30.00	-	-	-	-	-	-	355.26
			10.0% - 10.5%	33	112.78	4	18.18	-	-	-	-	-	-	-	-	130.96
			10.5% - 11%	9	65.78	-	-	-	-	-	-	-	-	-	-	65.78
		Above 3 years	8% - 8.5%	3	15.00	-	-	-	-	-	-	-	-	-	-	15.00
			8.5% - 9%	4	8.00	4	8.00	1	2.00	-	-	-	-	-	-	18.00
			9% - 9.5%	11	96.97	4	33.33	4	33.33	-	-	-	-	-	-	163.63
			9.5% - 10%	4	10.00	1	2.50	-	-	-	-	-	-	-	-	12.50
	Half Yearly	1-3 years	9.5% - 10.0%	2	75.00	2	75.00	-	-	-	-	-	-	-	-	150.00
	Bullet	1-3 years	8.5% - 9.0%	1	12.50	-	-	-	-	-	-	-	-	-	-	12.50
			9.0% - 9.5%	-	-	1	100.00	-	-	-	-	-	-	-	-	100.00

Terms of repayment of borrowings as on March 31, 2024

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year: No. of in-stallments	Due within 1 year: Amount (in Rupees)	Due between 1 to 2 Years: No. of in-stallments	Due between 1 to 2 Years: Amount (in Rupees)	Due between 2 to 3 Years: No. of install-ments	Due between 2 to 3 Years: Amount (in Rupees)	Due between 3 to 4 Years: No. of install-ments	Due between 3 to 4 Years: Amount (in Rupees)	Due between 4 to 5 Years: No. of install-ments	Due between 4 to 5 Years: Amount (in Rupees)	Due between 5 to 6 Years: No. of install-ments	Due between 5 to 6 Years: Amount (in Rupees)	Total
Term loan from financial insti-tutions	Monthly	1-3 years	9.0% - 9.5%	36	204.16	33	187.45	-	-	-	-	-	-	-	-	391.61
			9.5% - 10.0%	32	389.96	36	435.96	22	260.75	-	-	-	-	-	-	1,086.67
			12.0% - 12.5%	18	26.67	-	-	-	-	-	-	-	-	-	-	26.67
	Quarterly	1-3 years	7.0% - 7.5%	4	100.00	3	75.00	-	-	-	-	-	-	-	-	175.00
			9.0% - 9.5%	4	72.72	4	72.72	1	18.20	-	-	-	-	-	-	163.64
		Above 3 years	9.5% - 10.0%	12	99.00	12	55.20	5	32.60	-	-	-	-	-	-	186.80
			11.5% - 12.0%	3	1.50	-	-	-	-	-	-	-	-	-	-	1.50
	Half Yearly	Above 3 years	11.5% - 12%	6	180.00	-	-	-	-	-	-	-	-	-	-	180.00
	Bullet	1-3 years	7.5% - 8.0%	-	-	-	-	1	200.00	-	-	-	-	-	-	200.00
Term loan from non-banking financial companies	Monthly	1-3 years	9% - 9.5%	22	76.00	24	82.29	16	59.43	-	-	-	-	-	-	217.72
			9.5% - 10%	54	99.99	37	74.39	-	-	-	-	-	-	-	-	174.38
			10% - 10.5%	12	5.14	3	1.71	-	-	-	-	-	-	-	-	6.85
			10.5% - 11%	13	41.05	-	-	-	-	-	-	-	-	-	-	41.05
		Above 3 years	10.5% - 11%	6	12.12	-	-	-	-	-	-	-	-	-	-	12.12
			11% - 11.5%	23	16.80	-	-	-	-	-	-	-	-	-	-	16.80
	Quarterly	1-3 years	9% - 9.5%	4	8.33	-	-	-	-	-	-	-	-	-	-	8.33
			10.5% - 11%	2	5.00	-	-	-	-	-	-	-	-	-	-	5.00
		Above 3 years	9.5% - 10.0%	7	31.67	8	38.33	8	38.33	1	6.67	-	-	-	-	115.00
			10.0% - 10.5%	3	16.25	4	21.67	1	5.42	-	-	-	-	-	-	43.34
External commercial borrowings	Quarterly	Above 3 years	7.5% - 8.0%	-	-	3	6.24	4	8.32	4	8.32	4	8.32	5	10.40	41.60
			8.0% - 8.5%	-	-	3	36.86	4	49.15	4	49.15	4	49.15	5	61.43	245.74
	Half Yearly	Above 3 years	9.0% - 9.5%	1	32.70	2	65.39	2	65.39	-	-	-	-	-	-	163.48
			9.5% - 10.0%	2	115.47	4	230.94	4	230.94	-	-	-	-	-	-	577.35
			10.0% - 10.5%	2	44.70	2	44.70	3	104.57	2	82.22	-	-	-	-	276.19
	Yearly	Above 3 years	10.5% - 11.0%	-	-	1	38.79	1	38.79	1	77.58	-	-	-	-	155.16
	Bullet	1-3 years	9.5% - 10.0%	-	-	1	199.38	-	-	-	-	-	-	-	-	199.38
			10.0% - 10.5%	-	-	1	203.75	-	-	-	-	-	-	-	-	203.75
		Above 3 years	10.0% - 10.5%	-	-	-	-	2	1,235.85	-	-	1	83.18	1	98.47	1,417.50
			11.0% - 11.5%	-	-	-	-	1	332.72	-	-	-	-	-	-	332.72
Sub-debt	Bullet	Above 3 years	14.5% - 15%	-	-	1	12.50	1	12.50	-	-	-	-	-	-	25.00
Securitisation	Monthly	1-3 years	8.5% - 9.0%	5	22.21	-	-	-	-	-	-	-	-	-	-	22.21
Grand Total				**2,097.00**	**9,793.91**	**1,051.00**	**6,755.59**	**311.00**	**4,319.31**	**16.00**	**294.80**	**11.00**	**411.68**	**11.00**	**170.30**	**21,745.59**

Note: The above amount pertains to the principal outstanding only.

Terms of repayment of borrowings as on March 31, 2023

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
				No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	
Debentures	Half Yearly	1-3 years	10.5% - 11%	1	24.17	-	-	-	-	-	-	-	-	-	-	24.17
		Above 3 years	9.5% - 10%	2	107.00	2	107.00	-	-	-	-	-	-	-	-	214.00
	Bullet	1-3 years	8% - 8.5%	-	-	1	60.00	-	-	-	-	-	-	-	-	60.00
			8.5% - 9%	1	100.00	-	-	-	-	-	-	-	-	-	-	100.00
			9% - 9.5%	-	-	1	185.31	-	-	-	-	-	-	-	-	185.31
			9.5% - 10%	2	108.33	2	80.26	1	212.49	-	-	-	-	-	-	401.08
			10% - 10.5%	3	225.00	-	-	1	13.39	-	-	-	-	-	-	238.39
		Above 3 years	9.5% - 10%	-	-	1	71.00	-	-	-	-	-	-	-	-	71.00
			10% - 10.5%	-	-	-	-	-	-	-	-	2	63.74	-	-	63.74
			11% - 11.5%	1	19.50	-	-	-	-	-	-	-	-	-	-	19.50
			11.5% - 12%	1	19.50	-	-	-	-	-	-	-	-	-	-	19.50
			14% - 14.5% $	-	-	1	50.00	-	-	-	-	-	-	-	-	50.00
	Annually	Above 3 years	10% - 10.5%	-	-	-	-	1	48.00	1	192.00	-	-	-	-	240.00
Term Loan from Banks	Monthly	1-3 years	7% - 7.5%	4	3.64	-	-	-	-	-	-	-	-	-	-	3.64
			7.5% - 8.0%	94	549.59	51	457.26	6	106.12	-	-	-	-	-	-	1,112.97
			8% - 8.5%	126	228.43	46	30.28	-	-	-	-	-	-	-	-	258.71
			8.5% - 9%	341	1,232.92	147	760.28	16	97.20	-	-	-	-	-	-	2,090.40
			9% - 9.5%	651	1,964.95	427	1,563.56	112	360.19	-	-	-	-	-	-	3,888.70
			9.5% - 10%	345	621.62	104	159.15	3	2.50	-	-	-	-	-	-	783.27
			10% - 10.5%	198	277.85	56	89.46	3	1.82	-	-	-	-	-	-	369.13
			10.5% - 11%	59	73.45	11	10.56	-	-	-	-	-	-	-	-	84.01
			11% - 11.5%	34	37.77	2	2.06	-	-	-	-	-	-	-	-	39.83
			11.5% - 12%	24	37.50	6	9.38	-	-	-	-	-	-	-	-	46.88
		Above 3 years	7.5% - 8.0%	24	33.33	14	19.37	-	-	-	-	-	-	-	-	52.70
			8% - 8.5%	6	29.09	-	-	-	-	-	-	-	-	-	-	29.09
			8.5% - 9%	12	27.27	6	13.64	-	-	-	-	-	-	-	-	40.91
			9% - 9.5%	35	51.96	17	23.04	9	6.25	-	-	-	-	-	-	81.25
			9.5% - 10%	5	1.41	-	-	-	-	-	-	-	-	-	-	1.41
			10% - 10.5%	19	20.60	12	10.91	3	2.73	-	-	-	-	-	-	34.24
			10.5% - 11%	12	1.14	12	1.25	12	1.37	5	0.66	-	-	-	-	4.42
	Quarterly	1-3 years	7.5% - 8%	8	45.00	6	27.50	1	2.50	-	-	-	-	-	-	75.00
			8% - 8.5%	7	117.50	3	60.00	-	-	-	-	-	-	-	-	177.50
			8.5% - 9%	12	98.67	12	99.35	2	18.10	-	-	-	-	-	-	216.12
			9% - 9.5%	28	226.62	27	288.74	9	154.55	-	-	-	-	-	-	669.91
			9.5% - 10.0%	27	89.72	21	78.47	1	8.75	-	-	-	-	-	-	176.94
			10.0% - 10.5%	24	154.38	13	78.28	-	-	-	-	-	-	-	-	232.66
		Above 3 years	7.5% - 8.0%	3	15.00	4	20.00	-	-	-	-	-	-	-	-	35.00
			9% - 9.5%	7	63.64	8	72.73	-	-	-	-	-	-	-	-	136.37
	Half Yearly	1-3 years	10.0% - 10.5%	2	20.00	-	-	-	-	-	-	-	-	-	-	20.00
	Bullet	1-3 years	8.5% - 9.0%	-	-	1	12.50	-	-	-	-	-	-	-	-	12.50
			9.0% - 9.5%	2	40.00	-	-	-	-	-	-	-	-	-	-	40.00
			10.0% - 10.5%	1	27.50	-	-	-	-	-	-	-	-	-	-	27.50

Terms of repayment of borrowings as on March 31, 2023

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year: No. of install-ments	Due within 1 year: Amount (in Rupees)	Due between 1 to 2 Years: No. of install-ments	Due between 1 to 2 Years: Amount (in Rupees)	Due between 2 to 3 Years: No. of install-ments	Due between 2 to 3 Years: Amount (in Rupees)	Due between 3 to 4 Years: No. of install-ments	Due between 3 to 4 Years: Amount (in Rupees)	Due between 4 to 5 Years: No. of install-ments	Due between 4 to 5 Years: Amount (in Rupees)	Due between 5 to 6 Years: No. of install-ments	Due between 5 to 6 Years: Amount (in Rupees)	Total
Term loan from financial institutions	Monthly	1-3 years	9.0%-9.5%	7	117.25	8	132.75	-	-	-	-	-	-	-	-	250.00
			12.0%-12.5%	24	40.00	18	26.67	-	-	-	-	-	-	-	-	66.67
	Quarterly	1-3 years	7.0%-7.5%	4	100.00	4	100.00	3	75.00	-	-	-	-	-	-	275.00
		Above 3 years	9.5%-10.0%	12	145.20	12	99.00	12	55.20	5	32.60	-	-	-	-	332.00
			11.5%-12.0%	4	2.50	3	1.50	-	-	-	-	-	-	-	-	4.00
	Half Yearly	Above 3 years	11.5%-12%	16	409.15	6	180.00	-	-	-	-	-	-	-	-	589.15
Term loan from non-banking financial companies	Monthly	1-3 years	9%-9.5%	46	77.02	42	71.39	20	45.29	-	-	-	-	-	-	193.70
			9.5%-10%	43	57.47	25	37.11	20	30.72	-	-	-	-	-	-	125.30
			10%-10.5%	16	38.74	12	37.71	-	-	-	-	-	-	-	-	76.45
		Above 3 years	10.5%-11.0%	24	36.36	6	12.12	-	-	-	-	-	-	-	-	48.48
			10.0%-10.5%	22	15.24	23	16.79	-	-	-	-	-	-	-	-	32.03
	Quarterly	1-3 years	9%-9.5%	4	8.33	4	8.33	-	-	-	-	-	-	-	-	16.66
			9.5%-10%	7	26.25	6	26.67	4	21.67	1	5.42	-	-	-	-	80.01
			10.0%-10.5%	4	8.33	-	-	-	-	-	-	-	-	-	-	8.33
	Half Yearly	1-3 years	10.5%-11.0%	4	15.33	-	-	-	-	-	-	-	-	-	-	15.33
External commercial borrowings	Half Yearly	Above 3 years	9.0%-9.5%	-	-	1	32.70	2	65.39	2	65.39	-	-	-	-	163.48
			9.5%-10.0%	-	-	2	115.47	4	230.94	4	230.94	-	-	-	-	577.35
			10.0%-10.5%	-	-	2	44.70	2	44.70	1	22.35	-	-	-	-	111.75
			10.5%-11.0%	-	-	-	-	-	-	2	82.22	2	82.22	-	-	164.44
	Yearly	Above 3 years	9.5%-10.0%	-	-	-	-	1	38.79	1	38.79	1	77.58	-	-	155.16
	Bullet	1-3 years	9.5%-10.0%	-	-	-	-	1	199.38	-	-	-	-	-	-	199.38
		Above 3 years	10.0%-10.5%	-	-	-	-	1	203.75	-	-	-	-	-	-	203.75
Sub-debt	Bullet	Above 3 years	14.5%-15%	-	-	-	-	1	12.50	1	12.50	-	-	-	-	25.00
Securitisation	Monthly	1-3 years	8.5%-9.0%	12	72.65	5	26.12	-	-	-	-	-	-	-	-	98.77
Grand Total				**2,370.00**	**7,863.87**	**1,193.00**	**5,410.37**	**251.00**	**2,059.29**	**23.00**	**682.87**	**5.00**	**223.54**	**-**	**-**	**16,239.94**

$ Sub-debt in the nature of Debentures.
Note: The above amount pertains to the principal outstanding only.

16 Other financial liabilities

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Lease liabilities	106.30	78.51
Others	0.13	0.39
Total	**106.43**	**78.90**

17 Provisions

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Provision for employee benefits:		
Gratuity (Refer Note 31)	15.13	10.56
Leave encashment and availment	32.30	26.05
Total	**47.43**	**36.61**

18 Other non-financial liabilities

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Statutory dues payable (Tax deducted at source, Goods and services tax etc)	24.84	19.09
Total	**24.84**	**19.09**

19 Equity share capital

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Authorised		
Equity shares of ₹ 10 each	170.00	160.00
17,00,00,000 (March 31, 2023 : 16,00,00,000) Equity shares (Refer note g below).	**170.00**	**160.00**
	March 31, 2024	**March 31, 2023**
Issued, subscibed and fully paid up		
15,93,76,967 (March 31, 2023 : 15,89,06,443) Equity shares of ₹10 each fully paid	159.38	158.91

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity Shares	March 31, 2024		March 31, 2023 **	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
At the beginning of the year	158,906,443	158.91	155,866,346	155.87
Add: Issued during the year				
- On account of scheme of merger **	-	-	2,675,351	2.68
- Employee Stock Option Plan	470,524	0.47	364,746	0.36
Outstanding at the end of the year	**159,376,967**	**159.38**	**158,906,443**	**158.91**

** The Company allotted 2,675,351 equity shares on dated March 27, 2023 and it was pending for listing as on March 31, 2023.

(b) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Any dividends proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10 each fully paid				
CreditAccess India BV *	**106,109,041**	**66.58%**	**115,109,041**	**72.44%**

* Including 13 number of shares held by Paolo Bricheti where beneficial holding lies with CreditAccess India BV.

(d) Details of Promoters share holding

Particulars	No. of Shares	%of total shares	% Change during the year
	March 31, 2024		
1) CreditAccess India BV	106,109,041	66.58%	-5.86%
	March 31, 2023		
1) CreditAccess India BV	115,109,041	72.44%	-1.41%

(e) For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company refer Note 38.

(f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	31-Mar-23 (No. of equity shares)	31-Mar-22 (No. of equity shares	31-Mar-21 (No. of equity shares	31-Mar-20 (No. of equity shares	31-Mar-19 (No. of equity shares
Equity shares allotted to Equity Share holders of Madura Micro Finance Limited (erstwhile subsidiary) as a purchase consideration for amalgamation of business with the Company	2,675,351	-	-	-	-
Total	**2,675,351**	**-**	**-**	**-**	**-**

(g) March 31, 2023: NCLT has issued order dated February 07, 2023, approving amalgamation of Madura Micro Finance Limited (the "Transferor Company") with CreditAccess Grameen Limited (the "Transferee Company") effective from April 1, 2020. The Company has filed the Certified True Copy of the Order in the Form INC-28 with the Registrar of Companies ("ROC") Karnataka, on February 15, 2023 and upon approval such Form, the authorised share capital of ₹ 10 Crores of transferor Company shall stand transferred to transferee Company.

As at March 31, 2024, Form INC-28 is approved by ROC and accordingly ₹10 Crores is considered as part of authorised capital.

20 Other equity*

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	824.92	535.73
Capital reserve	49.95	49.95
Securities premium	2,498.13	2,478.59
Share options outstanding account	31.17	19.41
Retained earnings	3,011.04	1,855.10
Effective portion of Cash Flow Hedge	(4.64)	9.25
Total	**6,410.57**	**4,948.03**

* For detailed movement of reserves refer statement of changes in equity for the year ended March 31, 2024 and March 31, 2023.

Nature and purpose of reserve

20.1 Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

20.2 Capital reserve

During the year ended 2018, the Company pursuant to the scheme of amalgamation, acquired MV Microfin Private Limited with effect from April 1, 2017. As per the accounting treatment of the scheme of amalgamation approved by the Honourable High Court of Karnataka, the differential amount between the carrying value of investments and net assets acquired from the transferor companies has been accounted as Capital reserve.

20.3 Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)

Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45-IC of Reserve Bank of India Act 1934.

20.4 Share option outstanding account

The share option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

20.5 Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, general reserve or any other such other appropriations to specific reserves.

20.6 Other comprehensive income

(i) Effective portion of Cash Flow Hedge

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss.

(ii) Fair valuation of loans through other comprehensive income (FVTOCI)

The Company had elected to recognize changes in the fair value of loans in other comprehensive income. These changes are accumulated as reserve within equity. The Company transfers amount from this reserve to retained earnings when the relevant loans are derecognized. Also Refer note 7.

20.7

₹ in crore

Movement of other comprehensive income for the year	March 31, 2024	March 31, 2023
Opening balance	9.25	(89.83)
(+) Fair value change during the year	(9.25)	32.25
(+) Effective portion of Cash Flow Hedge	(4.64)	9.25
(-) Impairment allowance transferred to statement of profit and loss	-	57.58
Closing balance	**(4.64)**	**9.25**

20.8 The Board of Directors has recommended final dividend of ₹ 10 per equity share (face value of ₹ 10 each) out of the profits for the financial year ended March 31, 2024, subject to shareholders approval. The Company had not declared or paid any dividend and had not proposed final dividend for the year ended March 31, 2023.

21 Interest income

₹ in crore

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total
Interest on loans	-	4,798.04	4,798.04	556.50	2,720.91	3,277.41
Income from securitisation	-	14.51	14.51	-	0.06	0.06
Interest on deposits with banks and financial institutions	-	40.85	40.85	-	31.04	31.04
Income from government securities	-	46.71	46.71	-	18.62	18.62
Total	**-**	**4,900.11**	**4,900.11**	**556.50**	**2,770.63**	**3,327.13**

22 Fees and commission income

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Service fees for management of assigned portfolio of loans	0.07	0.03
Service and administration charges	0.45	1.23
Distribution Income	91.90	18.25
Total	**92.42**	**19.51**

23 Net gain on fair value changes

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Net gain on fair value instruments at fair value through profit or loss		
(i) On trading Investments portfolio		
(a) Realised	14.34	21.32
(b) Unrealised	20.17	-
(B) Others		
(i) Gain on derecognition of loans designated at FVTOCI (Net)	-	(3.18)
Total	**34.51**	**18.14**

24 Other Income

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Miscellaneous income *	5.98	5.64
Total	**5.98**	**5.64**

* Includes advertisement income, service and administration charges, Interest on Income tax refund and other miscellaneous income.

25 Finance costs

₹ in crore

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total
Interest on debt securities	-	200.63	200.63	-	135.61	135.61
Interest on borrowings other than debt securities	-	1,509.12	1,509.12	-	1,054.17	1,054.17
Interest on subordinated liabilities	-	6.69	6.69	-	11.30	11.30
On financial liability towards securitisation (re-recognised on balance sheet)	-	5.47	5.47	-	0.02	0.02
Other interest expense						
- Interest on lease liabilities	-	9.98	9.98	-	8.79	8.79
- Others	-	0.55	0.55	-	2.99	2.99
Total Finance costs	**-**	**1,732.44**	**1,732.44**	**-**	**1,212.88**	**1,212.88**

26 Impairment on financial instruments

₹ in crore

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total
Group lending loans	-	440.47	440.47	57.58	328.24	385.82
Individual loans	-	11.30	11.30	-	15.20	15.20
Impairment of Investment in Subsidary	-	-	-	-	(1.49)	(1.49)
Loss on Investment	-	-	-	-	1.49	1.49
Total	**-**	**451.77**	**451.77**	**57.58**	**343.44**	**401.02**

27 Employee benefit expenses

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	588.58	453.37
Contribution to provident and other funds	61.72	46.24
Share based payments to employees	16.71	10.65
Staff welfare expenses	2.42	4.98
Total	**669.43**	**515.24**

28 Depreciation and amortization expenses

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- On property, plant and equipment	11.65	13.38
- On intangible assets	22.24	22.87
- On right of use assets	17.26	13.59
Total	**51.15**	**49.84**

29 Other expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Rental charges payable under operating leases (Refer Note 36)	34.77	29.89
Bank charges	5.92	3.24
Rates and taxes	11.29	11.82
Insurance	8.09	5.94
Repairs and maintenance	39.24	27.38
Electricity	6.68	5.43
Travelling and conveyance	122.78	100.20
Postage and telecommunication	14.47	15.04
Printing and stationery	10.59	6.15
Professional and consultancy charges	21.75	22.48
Remuneration to directors	2.43	2.10
Auditor's remuneration (Refer Note below)	1.82	2.73
Training expenses	15.13	12.17
Credit bureau expenses	9.69	4.78
Corporate Social Responsibility expenses (Refer Note below)	12.17	8.40
NCD Issue expenses	2.52	2.99
Provision/ write-off of other assets	0.61	0.31
Miscellaneous expenses	4.83	3.54
Total	**324.78**	**264.59**

Auditor's remuneration

₹ in crore

Particulars	For the year ended	
	March 31, 2024#	March 31, 2023#
As auditor		
Audit fee (including Limited review)	1.25	1.72
Others	-	0.19
In other capacity		
Certification services	0.14	0.22
For taxation matters	0.28	0.50
Reimbursement of expenses	0.15	0.10
Total	**1.82**	**2.73**

Excludes payment amounting to ₹ 0.66 crore (March 31, 2023 : ₹ 1.03 crore) for services in relation to issuance of Public Non-convertible debentures, which has been included in NCD Issue expenses.

Details of CSR expenditure

₹ in crore

Particulars	For the year ended	
	March 31, 2024#	March 31, 2023#
a) Gross amount required to be spent by the Company during the year	11.95	8.32
b) Amount spent during the year (in cash)		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	12.17	8.40
c) Shortfall/ (excess) at the end of the year *	(0.22)	(0.08)
d) Total of previous years shortfall	-	-

* Excess spent in financial year ended March 31, 2024 will be set-off against the commitment/ obligation of financial year ending March 31, 2025.

Note:

1. Contribution of ₹ 12.17 crore made to CreditAccess India Foundation (Section 8 Company which is subsidiary of the Company).
2. The Company has a Memorandum of Understanding with CreditAccess India Foundation for CSR Activities (Relief of Poor, Community Development activity like education, healthcare, livelihood and other general public utilities).

30 Income tax

(A)

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Current tax		
(i) Current year	543.97	238.64
(ii) Earlier year	0.60	(0.41)
Deferred tax		
(i) Current year	(51.32)	44.85
(ii) Earlier year	-	(3.72)
Total Tax Charge	**493.25**	**279.36**

(B) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Profit before tax	1,939.18	1,105.39
At India's statutory income tax rate of 25.17% (2023: 25.17%)	488.09	278.23
Adjustment for non deductible expenses/ (allowable expenses/ deduction)		
Interest	-	0.30
CSR and donation expenses	3.06	2.14
Deduction under section of 80JJAA of Income Tax Act, 1961	(2.50)	(0.78)
Others (net)	4.60	(0.53)
Income tax expense reported in statement of profit and loss	**493.25**	**279.36**

(C) Movement in deferred tax balances for the year ended March 31, 2024

₹ in crore

Particulars	Net balance April 1, 2023	(Charge)/ credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2024	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Impact of difference between tax depreciation/ amortisation	(5.26)	0.71	-	-	(4.55)	-	(4.55)
Remeasurement gain / (loss) on defined benefit plan	6.56	3.04	-	-	9.60	9.60	-
Impairment allowance for loans	80.70	28.61	-	-	109.31	109.31	-
Expenses incurred on Initial Public Offering	0.29	(0.29)	-	-	-	-	-
Receivable from assignment of portfolio	(26.29)	10.00	-	-	(16.29)	-	(16.29)
Other items	24.17	9.92	4.67	-	38.76	38.76	-
Additions on account of Merger	0.76	(0.67)	-	-	0.09	0.09	-
Net Deferred tax assets / (liabilities)	**80.93**	**51.32**	**4.67**	**-**	**136.92**	**157.76**	**(20.84)**

(D) Movement in deferred tax balances for the year ended March 31, 2023

₹ in crore

Particulars	Net balance April 1, 2022	(Charge)/ credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2023	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Impact of difference between tax depreciation/ amortisation	(5.08)	(0.18)	-	-	(5.26)	-	(5.26)
Remeasurement gain / (loss) on defined benefit plan	6.69	(0.13)	-	-	6.56	6.56	-
Impairment allowance for loans	126.47	(45.77)	-	-	80.70	80.70	-
Expenses incurred on Initial Public Offering	1.45	(1.16)	-	-	0.29	0.29	-
Receivable from assignment of portfolio	(19.80)	(6.49)	-	-	(26.29)	-	(26.29)
Other items	44.75	12.74	(2.98)	(30.34)	24.17	24.17	-
Additions on account of Merger	0.90	(0.14)	-	-	0.76	0.76	-
Net Deferred tax assets / (liabilities)	**155.39**	**(41.13)**	**(2.98)**	**(30.34)**	**80.93**	**112.48**	**(31.55)**

(E) The following tables provides the details of income tax assets and income tax liabilities as at:

Current tax assets (net)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Income tax assets	1,356.39	557.83
Less: Income tax liabilities	1,300.76	518.27
Total	**55.63**	**39.56**

Current tax liabilities (net)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Income tax liabilities	-	238.48
Less: Income tax assets	-	237.92
Total	**-**	**0.56**

31 Employee benefits

A. Defined benefit plan

The Company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. Employees who are in continous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service subject to maximum benefit of ₹ 0.20 crore. The Company has funded gratuity plan and makes contibutions to Gratuity scheme administered by the insurance company through its Gratuity Fund.

B. Defined contribution plan

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the basic salary to fund the benefits. The contributions payable to these plans by the Company are administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The Company recognised ₹ 35.71 crore (March 31, 2023 : ₹ 30.64 crore) for Provident fund contributions and ₹ 8.52 crore (March 31, 2023 : ₹ 6.99 crore) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss.

31.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability / assets and its components:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	**32.05**	**26.62**
Current service cost	13.68	6.76
Interest cost	2.23	1.52
Benefits settled	(2.09)	(2.28)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(6.05)	0.57
- Changes in demographic assumptions	(1.34)	(0.34)
- Changes in financial assumptions	7.26	(0.80)
Obligation at the end of the year	**45.74**	**32.05**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	**21.49**	**18.12**
Interest income on plan assets	1.85	1.37
Re-measurement- actuarial gain	(1.20)	(1.17)
Return on plan assets recognised in other comprehensive income		-
Contributions	10.56	4.86
Benefits settled	(2.09)	(1.69)
Plan assets at the end of the year, at fair value	**30.61**	**21.49**
Net defined benefit liability	**15.13**	**10.56**

31.2 Expenses recognised in statement of profit or loss

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Current service cost	13.68	6.76
Interest cost	0.38	0.15
Net gratuity cost	**14.06**	**6.91**

31.3 Re-measurement recognised in other comprehensive income

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	(6.05)	0.57
- Changes in demographic assumptions	(1.34)	(0.34)
- Changes in financial assumptions	7.26	(0.80)
Re-measurement of the net defined benefit asset		
Return on plan assets (greater)/ less than discount rate	1.20	1.17
Total Actuarial (gains) / losses included in OCI	**1.07**	**0.60**

31.4 Plan assets

Particulars	March 31, 2024	March 31, 2023
Funds managed by insurer for Funded Gratuity Plan	100%	100%

31.5 Defined benefit obligation - Actuarial assumptions

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.19%	7.36%
Future salary growth	10.00%	8.00%
Attrition rate*	28.39%-53.70%	25.41%
Normal retirement age	60 years	60 years
Average term of liabilty (in years)	5.64 years	5.98 years

* Including trainees.

31.6 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

₹ in crore

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.15)	3.65	(2.00)	2.30
Future salary growth (1% movement)	3.32	(2.91)	1.94	(1.74)
Attrition rate (1% movement)	(0.89)	0.99	(0.28)	0.31
Mortality Rate (- / + 10% of mortality rates)	(0.02)	0.02	-	-

31.7 Expected contribution to the plan for the next annual reporting period is ₹19.38 crore (March 31, 2023 - ₹ 10.53 crore).

The weighted average duration of the defined benefit obligation of Company is 5.64 years (for planned assets) [March 31, 2023- 5.98 years]. The expected maturity analysis of undiscounted gratuity is as follows:

₹ in crore

Particulars	Less than a year	Between 1-2 years	Between 2-3 years	Between 3-4 years	Between 4-5 years	Between 5-10 years	Beyond 10 years	Total
March 31, 2024								
Gratuity	6.26	4.95	4.08	3.37	2.76	9.25	62.01	92.67
Total	6.26	4.95	4.08	3.37	2.76	9.25	62.01	92.67
March 31, 2023								
Gratuity	4.23	3.53	2.88	2.47	2.13	7.00	44.12	66.36
Total	**4.23**	**3.53**	**2.88**	**2.47**	**2.13**	**7.00**	**44.12**	**66.36**

31.8 Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Demographic risks

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the defined benefit obligations depend upon the combination of salary increase, discount rate, and vesting criteria and therefore not very straight forward.

Change in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Code on Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

32 Maturity analysis of assets and liabilities

(A) Maturity analysis of assets and liabilities as at March 31, 2024

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1,107.17	-	**1,107.17**
(b)	Bank balance other than cash and cash equivalents	114.70	91.90	**206.60**
(c)	Derivative financial instruments	36.55	-	**36.55**
(d)	Loans	15,247.59	9,857.40	**25,104.99**
(e)	Investments	1,438.36	0.55	**1,438.91**
(f)	Other financial assets	96.64	24.75	**121.39**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	55.63	**55.63**
(b)	Deferred tax assets (net)	-	136.92	**136.92**
(c)	Property, plant and equipment	-	32.06	**32.06**
(d)	Right of use assets	-	89.27	**89.27**
(e)	Intangible assets under development	-	4.54	**4.54**
(f)	Goodwill	-	375.68	**375.68**
(g)	Other Intangible assets	-	112.05	**112.05**
(h)	Other non-financial assets	22.10	2.15	**24.25**
	Total assets	**18,063.11**	**10,782.90**	**28,846.01**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	36.52	-	**36.52**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	219.83	-	**219.83**
(b)	Debt securities*	529.48	1,512.64	**2,042.12**
(c)	Borrowings (other than debt securities) *	9,341.05	10,432.60	**19,773.65**
(d)	Subordinated liabilities*	-	25.24	**25.24**
(e)	Other financial liabilities	18.62	87.81	**106.43**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	-	-	**-**
(b)	Provisions	24.84	22.59	**47.43**
(c)	Other non-financial liabilities	24.84	-	**24.84**
	Total liabilities	**10,195.18**	**12,080.88**	**22,276.06**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

32 Maturity analysis of assets and liabilities

(B) Maturity analysis of assets and liabilities as at March 31, 2023

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1,341.40	-	**1,341.40**
(b)	Bank balance other than cash and cash equivalents	57.27	37.74	**95.01**
(c)	Derivative financial instruments	31.63	-	**31.63**
(d)	Loans	11,021.93	8,021.41	**19,043.34**
(e)	Investments	453.98	0.55	**454.53**
(f)	Other financial assets	120.99	28.60	**149.59**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	39.56	**39.56**
(b)	Deferred tax assets (net)	-	80.93	**80.93**
(c)	Property, plant and equipment	-	32.06	**32.06**
(d)	Right of use assets	-	64.75	**64.75**
(e)	Intangible assets under development	-	3.94	**3.94**
(f)	Goodwill	-	375.68	**375.68**
(g)	Other Intangible assets	-	126.52	**126.52**
(h)	Other non-financial assets	18.63	0.49	**19.12**
	Total assets	**13,045.83**	**8,812.23**	**21,858.06**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	0.10	-	**0.10**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	43.95	-	**43.95**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	259.50	0.15	**259.65**
(b)	Debt securities*	646.27	1,026.08	**1,672.35**
(c)	Borrowings (other than debt securities) *	7,313.29	7,248.71	**14,562.00**
(d)	Subordinated liabilities*	0.04	77.87	**77.91**
(e)	Other financial liabilities	11.95	66.95	**78.90**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	0.56	-	**0.56**
(b)	Provisions	18.56	18.05	**36.61**
(c)	Other non-financial liabilities	19.09	-	**19.09**
	Total liabilities	**8,313.31**	**8,437.81**	**16,751.12**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

33 Transfer of financial assets

a) Transferred financial assets that are not derecognised in their entirety.

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Securitisations		
Carrying amount of transferred assets measured at amortised cost	27.94	103.56
Carrying amount of associated liabilities (debt securities - measured at amortised cost) (Refer Note 14)	(22.21)	(98.80)
Fair value of transferred assets	28.05	104.22
Fair value of associated liabilities	(22.22)	(98.48)
Net position at amortised cost	**5.73**	**4.76**

b) Transferred financial assets that are derecognised in their entirety.

The Company has assigned loans (earlier measured at FVTOCI/amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 85%-95% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost (During the previous year, it was measured at fair value through OCI) on derecognition during the year:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Direct assignments		
Carrying amount of derecognised financial assets	1,096.51	1,721.56
Gain from derecognition	97.03	122.89

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety, the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition as 'Receivable from assignment of portfolio' with a corresponding profit on derecognition of financial asset.

The Company has not transferred any assets that are derecognised during the year in their entirety where the Company continues to have continuing involvement.

34 Contingent liabilities

Contingent liabilities not provided for in respect of the below:

₹ in crore

(a)

Particulars	March 31, 2024	March 31, 2023
Demand of Goods and services tax for FY 2017-18 and 2018-19^	0.05	-
Demand of Goods and services tax for FY 2018-19 $	3.85	-
Demand under Employee state insurance Act 1948	0.09	-
Demand under Employee provident fund Act, 1952	0.25	0.25

^ Tax Matters - Indirect Taxes: This litigations is related to Input tax credit claimed which is disallowed by department of Goods and services tax in the Tamil Nadu state for FY 2017-18 and 2018-19. The Company filed an appeal against this matter with Commissioner Appeals-II Chennai.

$ Tax Matters - Indirect Taxes: This litigations is related to Input tax credit claimed on IPO expenses which is disallowed by department of Goods and services tax in the Karnataka state for FY 2018-19. The Company is in the process of filing appeal with Commissioner Appeals within due date.

(b) In addition, the Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company financial position and result of operations.

35 Capital commitments

Estimated amounts of contracts remaining to be executed on capital account (net of capital advances) and not provided:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
For purchase / development of computer software	5.05	2.22

36 Leases

36.1 Company as a leasee

The Company's leased assets mainly comprise office buildings and servers taken on lease. Certain agreements provide for cancellation by either party or certain agreements contain clause for escalation and renewal of agreements. The term of property and server leases ranges from 1-10 years. The Company has applied short term lease exemption for leasing arrangements where the period of lease is less than 12 months.

36.2 Total lease liabilities are analysed as follows:

₹ in crore

Lease liabilities	March 31, 2024	March 31, 2023
Current	18.49	11.71
Non-current	87.81	66.80
Total	**106.30**	**78.51**

36.3 Amounts recognised in the statement of profit and loss

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Depreciation charge of right-of-use assets		
Buildings	5.18	4.35
Servers	12.08	9.24
	17.26	**13.59**
Expense relating to variable lease payments		
Expense relating to short-term leases (included in other expenses)	34.77	29.89
Interest on lease liabilities (included in finance costs)	9.98	8.79

36.4

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Total cash outflow for leases	58.74	48.77
Total commitments for short-term leases	16.81	14.56

36.5 The Company had committed to leases which had not commenced. The total future cash outflows for leases that had not yet commenced were as follows:

₹ in crore

Type of asset	March 31, 2024	March 31, 2023
Computers and Servers	9.81	2.26

36.6 The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

₹ in crore

Maturity analysis:	March 31, 2024	March 31, 2023
Less than 1 year	24.78	18.74
Between 1 and 2 years	25.41	18.55
Between 2 and 5 years	70.94	52.64
More than 5 years	0.01	14.37
Total	**121.14**	**104.30**

36.7 The following is the movement in lease liabilities during the year.

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Balance as at beginning of the year	**78.51**	**85.00**
Additions during the period	41.78	4.96
Finance cost incurred during the period	9.98	8.79
Termination of lease and adjustment during the period	-	(0.93)
Payment of lease liabilities	(23.97)	(19.31)
Balance as of closing of the year	**106.30**	**78.51**

Note: Refer Note 11(A) for movement in right of use of assets.

37 Related party transactions

Names of the related parties *(as per IndAS – 24)*

Holding Company	CreditAccess India BV (Formerly known as "CreditAccess India NV")
Subsidary Company	CreditAccess India Foundation
Erstwhile Subsidiary Company*	Madura Micro Finance Limited ('MMFL')
Step down Subsidiary Company #	Madura Micro Education Private Limited ('MMEPL')
Fellow Subsidiary Company	CreditAccess Life Insurance Limited ('CALIL')
Managing Director (KMP) and Non-Executive Director of MMFL (erstwhile subsidiary)*	Mr. Udaya Kumar Hebbar
Chairman & Lead Independent Director Chairman of MMFL (erstwhile subsidiary)*	Mr. George Joseph
Chairman & Nominee Director (Non-Executive Director & Vice-Chairman (w.e.f October 21, 2022)	Mr. Paolo Brichetti
Non-Executive Director of MMFL (erstwhile subsidiary) *	Mr. Diwakar B R
Independent Director (w.e.f October 21, 2022)	Ms. Rekha Gopal Warriar
Independent Director (upto September 10, 2022)	Ms. Sucharita Mukherjee
Independent Director of the Company and MMFL (erstwhile subsidiary)*	Mr. Manoj Kumar
Nominee Director	Mr. Sumit Kumar
Nominee Director	Mr. Massimo Vita
Independent Director	Ms. Lilian Jessie Paul
Key Managerial Personnel (Chief Executive Officer w.e.f. August 01, 2023)	Mr. Ganesh Narayanan, Chief Executive Officer
Key Managerial Personnel	Mr. Sadananda Balakrishna Kamath, Chief Financial Officer
Key Managerial Personnel	Mr. M J Mahadev Prakash, Company Secretary and Chief Compliance officer
Non-Executive Director of MMFL (erstwhile subsidiary)*	Mr. F. S. Mohan Eddy
Independent Director of MMFL (erstwhile subsidiary)*	Mr. N. C. Sarabeswaran
Key Managerial Personnel of MMFL (erstwhile subsidiary) *	Mr. Ganesh Hegde, Company Secretary
Non-Executive Director of MMFL (erstwhile subsidiary) *	Ms. Tara Thiagarajan
Key Managerial Personnel of MMFL (erstwhile subsidiary) *	Mr. M. Narayanan. Chief Executive Officer & Chief Financial Officer
Other related parties	Grameen Financial Employees Group Gratuity Scheme
Other related parties	Grameen Financial Services Private Limited Superannuation Scheme
Other related parties	GKFSPL ESOP Trust

* Pertaining to Madura Micro Finance Limited ("MMFL" erstwhile subsidiary) which was amalgamated with the Company effective February 15, 2023 pursuant to the NCLT Order dated February 07, 2023.

;# Madura Micro Education Private Limited ("MMEPL") (One of the erstwhile subsidiary company of MMFL) 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.

Related party transactions (Continued)

₹ in crore

Particulars	Key management personnel	
	March 31, 2024	March 31, 2023
Transactions during the year		
Mr. Udaya Kumar Hebbar		
Salary and perquisites	3.90	3.43
Employee Stock Options exercised	1.40	1.04
Mr. Sadananda Balakrishna Kamath		
Salary and perquisites	1.53	1.28
Employee Stock Options exercised	2.12	0.21
Mr. M J Mahadev Prakash		
Salary and perquisites	1.01	0.67
Employee Stock Options exercised	0.06	0.04
Mr. Ganesh Narayanan		
Salary and perquisites	2.42	1.83
Employee Stock Options exercised	1.79	0.79
Mr. M Narayanan (Refer footnote Note 1)		
Salary and perquisites	-	1.40
Employee Stock Options exercised	-	-
Mr. Ganesh Hegde		
Salary and perquisites	-	0.11
Employee Stock Options exercised	-	-

Provisions for gratuity and leave benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above. Salary and perquisites exclud ESOP benefits expenses.

Note 1: On account of merger 15,00,508 and 6,24,362 number of equity shares of the Company have been issued to Ms. Tara Thiagarajan and Mr. M Narayanan on March 27, 2023 against the equity shares held in Madura Micro Finance Limited as per the swap ratio mentioned in scheme of merger.

₹ in crore

Sitting fees	March 31, 2024	March 31, 2023
Mr. Paolo Brichetti	0.10	0.04
Mr. Sumit Kumar	0.12	0.13
Mr. Massimo Vita	0.17	0.15
Ms. Sucharita Mukherjee	-	0.01
Mr. George Joseph	0.20	0.22
Mr. Manoj Kumar	0.18	0.14
Ms. Lilian Jessie Paul	0.13	0.05
Mr. N C Sarabeswaran	-	0.03
Ms. Rekha Gopal Warriar	0.08	0.04
Mr. Diwakar B R	-	0.01
Ms. Tara Thiagarajan	-	0.01
Mr. F S Mohan Eddy	-	0.02

Related party transactions (Continued)

₹ in crore

Commission	Other related parties	
	March 31, 2024	March 31, 2023
Ms. Lilian Jessie Paul	0.35	0.23
Ms. Sucharita Mukherjee #	(0.08)	0.24
Mr. George Joseph	0.50	0.38
Ms. Rekha Gopal Warriar	0.30	0.12
Mr. Manoj Kumar	0.38	0.30

\# on accrual basis net-off reversal of excess provision.

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Transactions during the year		
Madura Micro Education Private Limited ('MMEPL')		
(i) Written off Equity Investment	-	1.49
(ii) Reversal of Provision of Equity Investment	-	(1.49)
CreditAccess India Foundation		
(i) Grant paid for CSR expenses and donation	12.17	11.51
(ii) Rent received	0.01	0.01
(iii) Transaction in the nature of reimbursement		
(a) Reimbursement expenses	-	0.03
CreditAccess Life Insurance Limited ('CALIL')		
(i) Distribution Income	16.33	-
(ii) Cash Deposit given	0.20	-
Grameen Financial Employees Group Gratuity Scheme		
(i) Reimbursement of expenses	0.00	-
GKFSPL ESOP Trust		
(i) Reimbursement of expenses	0.00	-
Grameen Financial Services Private Limited Superannuation Scheme		
(i) Reimbursement of expenses	0.00	-

₹ in crore

Commission payable	Other related parties	
	March 31, 2024	March 31, 2023
Ms. Lilian Jessie Paul	0.25	0.15
Ms. Sucharita Mukherjee	-	0.16
Mr. George Joseph	0.40	0.25
Ms. Rekha Gopal Warriar	0.25	0.12
Mr. Manoj Kumar	0.30	0.20

₹ in crore

Balances Receivable/(Payable)	Fellow Subsidiary Company	
	March 31, 2024	March 31, 2023
CreditAccess Life Insurance Limited ('CALIL')		
(i) Distribution Income receivable	2.77	-
(ii) Cash Deposit Receivable	0.20	-

38 Employee stock options

Stock options: The Company has provided share based payments to its employees under the 'CAGL Employees Stock Option Plan – 2011' (upto July 8, 2020 the name was 'Grameen Koota Financial Services Private Limited – Employees Stock Option Plan 2011'). The various Tranches I, II, III, IV, V , VI, VII, VIII, IX and X represent different grants made under the plan. During year ended March 31, 2024, the following stock option grants were in operation:

Particulars	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X
Date of grant	Jun 1, 2014	Jul 1, 2016	Jan 1, 2017	Jan 1,2018	Jan 1,2021	Jan 1,2022	Jan 1,2023	Jan 17,2024
Date of Board / Compensation Committee approval	Jul 30, 2014	Jun 29, 2016	May 17, 2017	Jan 24, 2018	Jan 29, 2021	Mar 23, 2022	Feb 07, 2023	Jan 19,2024
Number of Options granted	443,000	431,000	521,000	971,000	375,900	1,029,300	768,600	759,800
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Graded vesting period:								
Day following the expiry of 12 months from grant	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 24 months from grant	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 36 months from grant	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 48 months from grant	25%	25%	25%	25%	25%	25%	25%	25%
Exercise period	48 months from date of vesting				36 months from the date of vesting			
Vesting conditions	Employee to be in service at the time of vesting							
Weighted average remaining contractual life (years)								
-I	-	-	-	-	0.76	1.76	2.76	3.76
-II	-	-	-	-	1.76	2.76	3.76	4.76
-III	-	-	-	0.76	2.76	3.76	4.76	5.76
-IV	-	0.25	0.76	1.76	3.76	4.76	5.76	6.76
Weighted average exercise price per option (₹)	39.86	63.90	84.47	120.87	786.91	595.68	902.60	1,685.30
Weighted average fair value of options (₹)	38.46	75.78	61.95	86.27	224.32	167.40	265.13	443.45

Employee stock options (Continued)

Additional disclosures for Tranche X - granted during the current year and Tranche IX,VIII,VII in previous years:

Particulars	Tranche X	Tranche IX	Tranche VIII	Tranche VII
Share price on the date of Grant (in ₹)	1,685.30	915.30	597.30	768.85
Expected volatility (%)				
I	40.89%	45.60%	44.44%	58.89%
II	42.18%	47.21%	43.38%	52.16%
III	45.27%	45.03%	51.03%	49.37%
IV	46.14%	44.79%	49.42%	49.82%
Risk free interest rate (%)				
I	7.15%	7.13%	5.10%	4.34%
II	7.17%	7.29%	5.65%	4.99%
III	7.19%	7.40%	6.12%	5.62%
IV	7.23%	7.44%	6.46%	6.03%
Fair value per option (in ₹)				
I	306.96	198.44	116.67	184.06
II	399.06	253.55	144.49	207.75
III	496.71	286.55	193.85	235.30
IV	571.04	321.99	214.58	270.19

Reconciliation of options:

Particulars	March 31, 2024	March 31, 2023
Tranche III		
Options outstanding at the beginning of the year	**-**	**4,500**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	3,000
Expired during the year	-	1,500
Options Outstanding at the end of the year	**-**	**-**
Exercisable at the end of the year	-	-
Tranche IV		
Options outstanding at the beginning of the year	**57,250**	**156,750**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	54,500	99,500
Expired during the year	-	-
Options Outstanding at the end of the year	**2,750**	**57,250**
Exercisable at the end of the year	2,750	57,250
Tranche V		
Options outstanding at the beginning of the year	**131,900**	**215,250**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	113,450	78,350
Expired during the year	-	5,000
Options Outstanding at the end of the year	**18,450**	**131,900**
Exercisable at the end of the year	18,450	131,900

Employee stock options (Continued)

Tranche VI		
Options outstanding at the beginning of the year	**182,609**	**354,261**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	113,414	162,006
Expired during the year	4,816	9,646
Options Outstanding at the end of the year	**64,379**	**182,609**
Exercisable at the end of the year	64,379	182,609
Tranche VII		
Options outstanding at the beginning of the year	**306,075**	**332,125**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	38,605	8,100
Expired during the year	2,750	17,950
Options Outstanding at the end of the year	**264,720**	**306,075**
Exercisable at the end of the year	187,445	149,225
Tranche VIII		
Options outstanding at the beginning of the year	**977,810**	**1,029,300**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	138,405	13,790
Expired during the year	10,825	37,700
Options Outstanding at the end of the year	**828,580**	**977,810**
Exercisable at the end of the year	341,330	236,210
Tranche IX		
Options outstanding at the beginning of the year	**768,600**	**-**
Granted during the year	-	768,600
Forfeited during the year	-	-
Exercised during the year	12,150	-
Expired during the year	18,275	-
Options Outstanding at the end of the year	**738,175**	**768,600**
Exercisable at the end of the year	175,900	-
Tranche X		
Options outstanding at the beginning of the year	**-**	**-**
Granted during the year	759,800	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	2,500	-
Options Outstanding at the end of the year	**757,300**	**-**
Exercisable at the end of the year	-	-

39 Revenue from contracts with customers

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Type of services		
Service fees for management of assigned portfolio of loans	0.07	0.03
Service and administration charges	0.45	1.23
Distribution Income and advertisement display income	91.90	21.32
Total	**92.42**	**22.58**

(B) Geographical markets

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
India	92.42	22.58
Outside India	-	-
Total	**92.42**	**22.58**

(C) Timing of revenue recognition

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Services transferred at a point in time	92.42	22.58
Services transferred over time	-	-
Total	**92.42**	**22.58**

(D) Receivables

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Distribution income	20.90	8.13

40 Financial instruments – fair values

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

₹ in crore

Financial assets (assets measured at fair value)	March 31, 2024 Fair value			March 31, 2023 Fair value		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments	797.91	-	0.54	-	-	0.54
Derivative financial instruments	-	36.55	-	-	31.63	-
Total	**797.91**	**36.55**	**0.54**	**-**	**31.63**	**0.54**

₹ in crore

Fair value of financial assets and liabilities measured at amortised cost	March 31, 2024				March 31, 2023			
	Amortised cost	Fair value			Amortised cost	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Loans	25,104.99	-	-	25,157.33	19,043.34	-	-	18,952.66
Investment (G-sec)	640.45	-	-	639.96	453.98	-	-	431.18
Total	**25,745.44**	**-**	**-**	**25,797.29**	**19,497.32**	**-**	**-**	**19,383.83**
Debt securities	2,042.12	-	-	2,070.49	1,672.35	-	-	1,694.06
Borrowings (other than debt securities)	19,773.65	-	-	19,320.40	14,562.00	-	-	14,617.50
Subordinated liabilities	25.24	-	-	26.61	77.91	-	-	83.11
Lease liabilities	106.30	-	-	107.04	78.51	-	-	79.22
Total	**21,947.31**	**-**	**-**	**21,524.55**	**16,390.77**	**-**	**-**	**16,473.89**

Note: The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets and payables are considered to be the same as their fair values, due to their short-term nature.

There were no transfers between Level 3 and Level 1 / Level 2 during the current year.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial Statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Loans (measured at amortised cost)

Fair values of Loans measured at amortised cost have been measured based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The significant unobservable input is the discount rate, determined using the recent lending rate of the Company.

Financial liabilities measured at amortised cost

The fair value of fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rate being charged for new borrowings. The fair value of floating rate borrowing is deemed to equal its carrying value.

41 Risk Management

41.1 Introduction and risk profile

CreditAccess Grameen Limited is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Company predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, children's education, sanitation and personal emergency loans. With a view to diversifying the product profile, the company has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The major risks for the company are credit, operational, market, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

41.1.a Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.The Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Company. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Board has a Risk Management committee which is responsible for monitoring the overall risk process within the Company and reports to the Board of Directors.

The Risk Management guidelines will be implemented through the established organization structure of Risk Department. The overall monitoring of the Risks is done by the Chief Risk Officer (CRO) with the support from all the department heads of the Company. The Board reviews the status and progress of the risk and risk management system, on a quarterly basis through the Audit Committee and Risk Management Committee. The individual departments are responsible for ensuring implementation of the risk management framework and policies, systems and methodologies as approved by the Board. Assignment of responsibilities in relation to risk management is prerogative of the Heads of Departments, in coordination with CRO. While each department focuses on its specific area of activity, the Risk Management Unit operates in coordination with all other departments, utilising all significant information sourced to ensure effective management of risks in accordance with the guidelines approved by the Board. The unit works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

Heads of Departments are accountable to a Management Level Risk Committee (MLRC) comprising of MD, CEO, CFO, CAO, CBO, CTO and CRO. The departmental heads will report for the implementation of above mentioned guideline within their respective areas of responsibility. The department heads are also accountable to the MLRC for identification, assessment, aggregation, reporting and monitoring of the risk related to their respective domain.

The Company's policy is that risk management processes throughout the Company are audited by the Internal Audit function, which examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Audit Committee.

41.1.b Risk mitigation and risk culture

Risk assessments are conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Company. Procedures are established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Company formulates its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation is planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss.

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

41.1.c Risk measurement and reporting systems

The heads of all the departments in association with risk management department are responsible for coordinating the systems for identifying risks within their own department or business activity through RCSA exercise to be conducted at regular intervals.

Based on a cost / benefit assessment of a risk, as is undertaken, some risks may be judged as having to be accepted because it is believed mitigation is not possible or warranted.

As the risk exposure of any business may undergo change from time to time due to continuously changing environment, the updation of the Risk Register will be done on a regular basis.

All the strategies with respect to managing these major risks shall be monitored by the CRO and MLRC.

The Management Level Risk Committee meetings are held as necessary or once a month. The Management Level Risk Committee would monitor the management of major risks specifically and other risks of the Company in general. The Committee takes an integrated view of the risks facing the entity and monitor implementation of the directives received from Risk Management Committee and actionable items drawn from the risk management framework.

Accordingly, the Management Level Risk Committee reviews the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of Key Risk Threshold breaches (KRI's), consequent actions taken and review of operational loss events, if any.
- Review of process compliances across organisation.
- Review of HR management, training and employee attrition.
- Review of new initiatives and product/policy/ process changes.
- Discuss and review performance of IT systems.
- Review, where necessary, policies that have a bearing on the operational & credit risk management and recommend amendments.
- Discuss and recommend suitable controls/ mitigations for managing operational & credit risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/mitigating the same.

41.1.d Risk Management Strategies

Excessive risk concentrations

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

The following management strategies and policies are adopted by the Company to manage the various key risks.

Political Risk mitigation measures:

- Low cost operations and low pricing for customers.
- Customer centric approach, high customer retention.
- Rural focus.
- Systematic customer awareness activities.
- High social focused activities.
- Adherence to client protection guidelines.
- Robust grievance redressal mechanism.
- Adherence to regulatory guidelines in letter and spirit.

Concentration risk mitigation measures:

- District centric approach.
- District exposure cap.
- Restriction on growth in urban locations.
- Maximum disbursement cap per loan account.
- Maximum loan exposure cap per customer.
- Diversified funding resources.

Operational & HR Risk mitigation measures:

- Stringent customer enrolment process.
- Multiple products.
- Proper recruitment policy and appraisal system.
- Adequately trained field force.
- Weekly & fortnightly collections – higher customertouch, lower amount instalments.
- Multilevel monitoring framework.
- Strong, Independent and fully automated Internal Audit function.
- Strong IT system with access to real time client and loan data.

Liquidity risk mitigation measures:

- Diversified funding resources.
- Asset liability management.
- Effective fund management.
- Maximum cash holding cap

Expansion risk mitigation measures:

- Contiguous growth.
- District centric approach.
- Rural focus.
- Branch selection based on census data & credit bureau data.
- Three level survey of the location selected.

Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument, whether a customer or otherwise, fails to meet its contractual obligations towards the Company. Credit risk is the core business risk of the Company. The Company therefore has high appetite for this risk but low tolerance and the governance structures including the internal control systems are particularly designed to manage and mitigate this risk. The Company is mainly exposed to credit risk from loans to customers (including loans transferred to SPVs under securitization agreements, excluding loans sold under assignment presented as off-balance sheet assets).

The credit risk may arise due to, over borrowing by customers or over lending by other financial institutions competitors, gaps in joint-liability collateral and repayment issues due to external factors such as political, community influence, regulatory changes and natural disasters (storm, earthquakes, fires, floods) and intentional default by customers.

To address credit risk, the Company has stringent credit policies for customer selection. To ensure the credit worthiness of the customers, stringent underwriting policies such as credit investigation, both in-house and field credit verification, is in place. In addition, the company follows a systematic methodology in the selection of new geographies where to open branches considering factors such as the portfolio at risk and over indebtedness of the proposed area/region, potential for micro-lending and socio-economic risk evaluation (e.g., the risk of local riots or natural disasters). Loan sanction and rejections are carried out at the head office. A credit bureau rejections analysis is also regularly carried out in Company.

Credit risk is being managed by continuously monitoring the borrower's performance if borrowers are paying on time based on their amortization dues. The Company ensures stringent monitoring and quality operations through both field supervision (branch/area/region staff supervision, quality control team supervision) and management review. Management at each Company's head office closely monitors credit risk through system generated reports (e.g., PAR status and PAR movement, portfolio concentration analysis, vintage analysis, flow-rate analysis) and Key Risk Indicators (KRIs) which include proactive actionable thresholds limits (acceptable, watch and breach) developed by CRO, revised at the the MLRC and at the Risk Committee at the Board level.

Some of the main strategies to mitigate credit risk are:

1. Maintain stringent customer enrolment process,
2. Undertake systematic customer awareness activities/ programs,
3. Reduce geographical concentration of portfolio,
4. Maximum loan exposure to member as determined from time to time,
5. Modify product characteristics if needed (e.g., longer maturity for group clients in case the loan is above a certain threshold),
6. Carry out due diligence of new employees and adequate training at induction,
7. Decrease field staff turnover,
8. Supporting technologies: credit bureau checks, GPS tagging and KYC checks..

The exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the country in which the customers are located, as these factors may have an influence on the credit risk.

41.2 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

41.2.a Definition of default, significant increase in credit risk and stage assessment

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1: includes loans for which the credit risk at the reporting date is in line with the credit risk at initial recognition (i.e. disbursement date).

Stage 2: includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk i.e. SICR).

Stage 3: includes default loans. A loan is considered as default at the earlier of (i) the Company considers that the obligor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing collateral (if held); or (ii) the obligor is past due more than 90 days on any material credit obligation to the Company.

The accounts which were restructured under the resolution Framework for Covid-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) were initially classified under Stage-2.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument.

(i) Staging classification of Joint Liability Group (JLG) loans of Company

Unlike banks which have more of monthly repayments, the Company offers products with primarily weekly/biweekly repayment frequency, whereby 15 and above Days past due ('DPD') means minimum 2 missed instalments from the borrower, and accordingly, the Company has identified the following stage classification to be the most appropriate for such products :

Stage 1: 0 to 15 DPD.

Stage 2: 16 to 60 DPD (SICR).

Stage 3: above 60 DPD (Default).

(ii) Self Help groups (SHG)

The Company has identified the following stage classification to be the most appropriate for its loans as these loans are mainly on monthly repayment basis:

Stage 1: 0 to 30 DPD.

Stage 2: 31 to 60 DPD (SICR).

Stage 3: Above 60 DPD (Default).

(iii) Staging classification of Individual Loans of the Company

For monthly repayment model, the Company has identified the following stage classification to be the most appropriate for these loans :

Stage 1: 0 to 30 DPD.

Stage 2: 31 to 90 DPD (SICR).

Stage 3: Above 90 DPD (Default).

41.2.b Probability of Default ('PD')

(i) Group lending (Including SHG)

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each loan account separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of loan outstanding in stage 1 moving into stage 3 in 12-months' time.

PD for stage 2: is derived as %age of loan outstanding in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.

PD for stage 3: is derived as 100% in line with accounting standard

(ii) Individual Loans

Individual loans is a relatively new portfolio that was started in November 2016. Performance history of matured vintage loan is not available in adequate number to build PD or LGD model. The ECL estimation for Individual loans portfolio is carried out using a method which is based on management judgement.

41.2.c Exposure at default (EAD)

Exposure at default (EAD) is the sum of outstanding principal and the interest amount accrued but not received on each loan as at reporting date.

41.2.d Loss given default (LGD)

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.

(i) Group lending loans (Including SHG)

LGD is computed as below:

The Company determines its expectation of lifetime loss by estimating recoveries towards its loan through analysis of historical information. The Company determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. LGD is the difference between the exposure at default (EAD) and discounted recovery amount ; this is expressed as percentage of EAD.

(ii) Individual loans

Individual loans is a portfolio that was started in November 2016. Performance history of matured vintage loan is not available in adequate number to build PD or LGD model. The ECL estimation for individual loans portfolio is carried out using a methodology which is based on management judgement.

41.2.e Grouping financial assets measured on a collective basis

The Company believes that the Joint Group Lending loans (JLG) have shared risk characteristics (i.e. homogeneous) while SHG loans and Individual loans (IL) have risk characteristics different from JLG loans. Therefore, JLG, SHG and IL are treated as three separate groups for the purpose of determining impairment allowance.

41.2.f The Company's Loan book consists of a large number of customers spread over diverse geographical area, hence the Company is not exposed to concentration risk with respect to any particular customer.

41.2.g Analysis of inputs to the ECL model under multiple economic scenarios

ECL estimates are subject to adjustment based on the output of macroeconomic model which incorporates forward looking assessment of the economic environment under which the company operates in the form of Management overlay.

41.3 Capital

The Company actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

Capital management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

Planning

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks– which include credit, operational, liquidity and interest rate.

The Company monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its Assets Liability Management Committee (ALCO).

The Company endeavours to maintain its CRAR higher than the mandated regulatory norm of 15%. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

41.4 Liquidity risk and funding management

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Company may face an asset-liability mismatch caused by a difference in the maturity profile of its assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are Liquidity Risk mitigation measures put in place which helps in maintaining the following:

Diversified funding resources:

The Company's treasury department secures funds from multiple sources, including banks, financial institutions and capital markets and is responsible for diversifying

our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Company continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of the loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

Asset Liability Management (ALM) can be termed as a risk management technique designed to earn an adequate return while maintaining a comfortable surplus of assets over liabilities. ALM, among other functions, is also concerned with risk management and provides a comprehensive as well as dynamic framework for measuring, monitoring and managing liquidity and interest rate risks. ALM is an integral part of the financial management process of the Company. It is concerned with strategic balance sheet management, involving risks caused by changes in the interest rates and the liquidity position of CAGL. It involves assessment of various types of risks and altering the asset-liability portfolio in a dynamic way in order to manage risks.

ALM committee constitutes of Board of Directors who would review the tolerance limits for liquidity/ interest rate risks and would recommend to Board of Directors for its approval from time to time. As per the directions of the Board, the ALM statements would be reported to the ALM committee on quarterly basis for necessary guidance.

The scope of ALM function can be described as follows:

i. Funding and Capital Managementm,

ii. Liquidity risk management,

iii. Interest Rate risk management,

iv. Forecasting and analyzing 'What if scenario' and preparation of contingency plans.

Capital guidelines ensure the maintenance and independent management of prudent capital levels for CAGL to preserve the safety and soundness of the Company, to support desired balance sheet growth and the realization of new business; and to provide a cushion against unexpected losses.

Liquidity assessment as on March 31, 2024

₹ in crore

Particulars $	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Debt securities*	10.95	153.15	12.29	33.85	471.11	1,365.87	400.11	-	**2,447.33**
Borrowings (other than debt securities)*	885.74	844.64	945.29	2,981.00	5,051.41	10,854.04	428.44	177.08	**22,167.64**
Subordinated liabilities*	-	-	0.79	0.79	1.57	28.15	-	-	**31.30**
Total	**896.69**	**997.79**	**958.37**	**3,015.64**	**5,524.09**	**12,248.06**	**828.55**	**177.08**	**24,646.27**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

$ including future Interest outflow.

Liquidity assessment as on March 31, 2023

₹ in crore

Particulars $	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Debt securities*	135.06	79.47	61.56	221.04	264.46	905.73	289.82	-	**1,957.14**
Borrowings (other than debt securities)*	611.49	633.88	704.10	2,303.14	3,945.00	7,199.74	686.31	-	**16,083.66**
Subordinated liabilities*	6.42	6.86	8.18	24.26	53.96	97.25	12.94	-	**209.87**
Total	**752.97**	**720.21**	**773.84**	**2,548.44**	**4,263.42**	**8,202.72**	**989.07**	**-**	**18,250.67**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

$ including future Interest outflow.

Risk Management (continue)

41.5 Market Risk

41.5.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non–trading portfolios and manages each of those portfolios separately.

41.5.2 Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the Company's financial condition. The immediate impact of changes in interest rates is on earnings (i.e. reported profits) by changing its Net Interest Margin (NIM). The risk from the earnings perspective can be measured as changes in Net Interest Margin (NIM). In line with RBI guidelines, the traditional Gap analysis is considered as a suitable method to measure the Interest Rate Risk for the Company.

In case of Compnay it may be noted that portfolio loans are not rate sensitive as there is no re-pricing of existing loans carried out. Only some of the liabilities in the form of borrowings are rate sensitive and considering the size of our business the quantum of impact of change of interest rate of borrowings on liquidity is not significant and can be managed with appropriate treasury action.

The following table demonstrates the sensitivity to a reasonably possible charge in interest rates (all other variables being constant) of the Company's profit and loss statement.

₹ in crore

Particulars	Basis points	Effect on profit / loss and equity for the year 2023-24	Effect on profit / loss and equity for the year 2022-23
Borrowings			
Increase in basis points	+ 25	(26.76)	(19.96)
Decrease in basis points	- 25	26.76	19.96

41.5.3 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract.

Particulars	March 31, 2024	March 31, 2023
	USD	
Liability – External Commercial Borrowings	442,000,000	195,000,000
Assets – Cross Currency Interest rate Swap Contract	442,000,000	195,000,000

41.5.4 Hedging Policy

The Company's Hedging Policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationship where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and qualitative assessment of effectiveness is performed.

In respect of Interest rate swaps, there is an economic relationship between the hedged item and the hedging instrument as the terms of the Interest Rate swap contract match that of the foreign currency borrowing (notional amount, interest repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap are identical to the hedged risk components.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the '(Gain) / Loss in Fair Value of Derivatives' line item.

Impact of hedge on the balance sheet

₹ in crore

Particulars	Year	Notional amount	Carrying amount of hedging instrument assets	Carrying amount of hedging instrument Liability
₹ USD CCIRS	March 31, 2023	1,575.32	31.63	-
₹ USD CCIRS	March 31, 2024	3,612.86	36.55	-

42 Changes in liabilities arising from financing activities

₹ in crore

Particulars	As at March 31,2023	Cash flows (Net)	Changes in fair value	Exchange difference	Others	As at March 31, 2024
Debt securities	1,672.35	386.08	-	-	(16.31)	2,042.12
Borrowings (other than debt securities)	14,562.00	5,169.45	-	-	42.20	19,773.65
Subordinated liabilities	77.91	(52.76)	-	-	0.08	25.24
Lease liabilities	78.51	(23.97)	-	-	51.76	106.30
Total liabilities from financing activities	**16,390.77**	**5,478.80**	**-**	**-**	**77.73**	**21,947.31**

₹ in crore

Particulars	As at March 31, 2022	Cash flows (Net)	Changes in fair value	Exchange difference	Others	As at March 31, 2023
Debt securities	1,418.10	256.34	-	-	(2.09)	1,672.35
Borrowings (other than debt securities)	11,424.85	3,123.33	-	-	13.81	14,562.00
Subordinated liabilities	77.74	(0.44)	-	-	0.61	77.91
Lease liabilities	85.00	(18.89)	-	-	12.40	78.51
Total liabilities from financing activities	**13,005.69**	**3,360.34**	**-**	**-**	**24.73**	**16,390.77**

43 Disclosures pursuant to relevant paragraphs of the 'Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time) ["the Master Direction"]

a. Capital to risk assets ratio ('CRAR'):

₹ in crore

Particulars	March 31, 2024	March 31, 2023
(i) CRAR (%)	23.13%	23.58%
(ii) CRAR-Tier I Capital (%)	22.24%	22.69%
(iii) CRAR-Tier II Capital (%)	0.90%	0.89%
(iv) Amount of subordinated debt raised as Tier II capital *	25.24	77.91
(v) Amount raised by issue of perpetual debt instruments	-	-

* outstanding as at March 31, 2024 and March 31, 2023

b. Investments

₹ in crore

Particulars	March 31, 2024$	March 31, 2023$
1. Value of Investments		
(i) Gross value of investments		
(a) in India	1,438.91	454.53
(b) outside India	-	-
(ii) Provisions for depreciation		
(a) in India	-	-
(b) outside India	-	-
(iii) Net value of investments		
(a) in India	1,438.91	454.53
(b) outside India	-	-
2. Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less: Write-off / write-back of excess provision	-	-
(iv) Closing balance	-	-

$ Includes Investment in government securities.

c. Derivatives

(I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
(i) The notional principal of swap agreements	3,612.86	1575.32
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	36.55	31.63

Nature and terms of the swaps:

Company hedges its exposure to foreign currency and interest rate with respect to external commercial borrowing ('ECB') using CCIRS ('Cross currency interest rate swaps'), LTFX (Long term foreign exchange) and IRS (interest rate swaps). Company has used cashflow hedge accounting methodology for accounting purposes.

(II) Exchange Traded Interest Rate (IR) Derivatives:

The Company has not traded in Interest Rate Derivative during the financial year ended March 31,2024 (March 31, 2023: NIL).

(III) Disclosures on Risk Exposure in Derivatives

The Company has a Treasury Risk Management Policy approved by the Assets Liability Committee and the Board. This policy provides the framework for managing various risks including interest rate risk and currency risk. The policy provides for use of derivative instruments in managing the risks.

The Company has sourced External Commercial Borrowing in foreign currency. The same has been hedged as required by RBI

Qualitative Disclosure

The company doesn't actively seek to profit from buying or selling of derivatives. The derivative transactions are undertaken only to the extent that it is required to hedge against foreign currency exposure. The company has bought cross currency swaps and similar other swaps to protect it against loss arising out of foreign currency fluctuations. For the said purpose, the company engages in over the counter (OTC) derivative transaction with highly rated banks in order to minimize counter party risks.

Quantitative Disclosures for March 31, 2024

₹ in crore

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional principal amount) for Hedging	3,612.86	-
(ii) Market to Market position	-	-
(a) Asset (+)	61.22	-
(b) Liability (-)	(24.67)	-
(iii) Credit exposure	3,612.86	-
(iv) Unhedged exposure	-	-

Qualitative Disclosure for March 31, 2023

₹ in crore

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional principal amount) for Hedging	1,575.32	-
(ii) Market to Market position	-	-
(a) Asset (+)	37.45	-
(b) Liability (-)	(5.82)	-
(iii) Credit exposure	1,575.32	-
(iv) Unhedged exposure	-	-

d. Disclosure related to securitization

₹ in crore

Particulars	March 31, 2024	March 31, 2023
No of SPVs sponsored by the NBFC for securitization transactions	1	1
Amount of securitized assets as per books of SPV sponsored by NBFC #	27.91	103.56
Amount of exposures retained by NBFC to comply with MRR as on the date of balance sheet	-	-
a. Off-balance sheet exposure		
· First loss	-	-
· Others	-	-
b. On-balance sheet exposure		
· First loss – cash collateral	5.49	5.49
· Others	10.36	10.36
Amount of exposures other than MRR		
a. Off-balance sheet exposure	-	-
i. Exposure to own securitizations	-	-
· First loss	-	-
· Loss	-	-
ii. Exposure to third party transactions		
· First loss	-	-
· Others	-	-
b. On-balance sheet exposure	-	-
i. Exposure to own securitizations	-	-
· First loss	-	-
· Others	-	-
ii. Exposure to third party transactions		
· First loss	-	-
· Others	-	-
Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation $	-	98.78
Form and quantum (outstanding value) of services provided ***	NA	NA
Performance of facility;		
(a) Amount paid **	76.61	-
(b) Repayment received ^^	78.04	5.52
(c) Outstanding amount ^	22.16	93.25
Servicing fee	-	0.05
Credit enhancement in the form of Loan (10% of pool amount) and cash collateral (5% of pool amount)	15.85	15.85
Average default rate of portfolios observed in the past. ##	NA	NA
Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	NA	NA
Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

$ Proceeds received with respect to the securitisation/PTC transaction. There are no gain/loss on sale on account of securitisation.

^ Prinicpal oustanding/payable considered under collateralised borrowing from banks arising out of securitisation transaction in financial statement

Principal outstanding of the pool as at the year end

** Principal amount paid to Investor out of the collection made.

^^ Principal Collection made from the pool.

There were no securitisation/PTC transaction deal undertaken by Company in last 5 year (exluding the current running transaction).

*** Company considers the securitization as one of the mode of fund raising. As this do not meets the criteria for derecognition, the same remains on balance sheet item and the amount received is considered as borrowing. Company remits the interest payable and principal collection from the pool to the lender at periodic intervals as per the agreement.

Note:-

1. During the year Company has not entered into any securitisation transaction.
2. The above transactions do not fulfill the test of de-recognition under Ind AS-109 and are considered as On-Balance Sheet items in books of accounts.
3. Company has securitised only microfinance loans.

e. Details of financial assets sold to securitization / reconstruction company for asset reconstruction:

Company has not sold any loans for asset reconstruction

f. Details of assignment transactions:

Transfer of loan ('Direct assignment') policy:

Company originates loans with primary objective being holding assets till maturity and collecting contractual cash flows that are solely payments of principal and interest. Company considers transfer of loan assets ('Direct Assignment') as one of the alternative mode or source of fund raising. Direct assignment policy restricts the direct assignment transaction outstanding i.e. sold balance outstanding, to be within 10% of projected Assets under management.

The Company has undertaken 3 assignment transactions during the current year (March 31, 2023: 9 transactions).

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Number of loans assigned	400,993	559,186
Aggregate value (net of provisions) of accounts sold	1,096.51	1,721.56
Aggregate consideration *	1,096.51	1,721.56
Aggregate gain over net book value	97.03	122.89

* This represents principal amount outstanding as at the date of transaction.

g. Disclosure related to Securitization

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Total no. of loans securitized	-	31,904
Aggregate book value of loan securitized	-	98.78
Aggregate book value of loan securitized (including MRR)	-	109.75
Sale consideration received for loan securitized	-	98.78
Credit enhancements provided and outstanding (Gross):		
Principal subordination	22.16	98.78
Cash collateral	5.49	5.49
Outstanding value of loan securitized during the year	27.91	103.56

* Represents principal amount.

h. Details of non-performing financial asset purchased / sold:

The Company has not purchased / sold any non-performing financial assets in the current and previous year.

i. Asset liability management:

Maturity pattern of assets and liabilities as on March 31, 2024:

₹ in crore

Particulars	1 to 7 days	8 to 14 days	Over 14 days to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Borrowings	67.47	217.07	529.64	859.59	784.05	2,594.45	4,818.26	11,099.49	702.32	168.67	**21,841.01**
-Other than foreign currency liability	67.47	217.07	505.50	853.05	756.91	2,594.45	4,649.38	8,162.50	347.84	-	**18,154.17**
- Foreign currency liability	-	-	24.14	6.53	27.14	-	168.88	2,937.00	354.48	168.67	**3,686.84**
Advances	297.20	300.80	723.59	1,419.74	1,333.71	4,007.02	7,165.53	9,680.17	124.18	53.05	**25,104.99**
Investments	797.91	-	124.58	223.36	-	292.51	-	-	-	0.55	**1,438.91**

Note:

1. All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.
2. For the purpose of above disclosure, Advances include aggregate outstanding balance of Loans, Other Financial Assets and Other Non-Financial Assets.

Maturity pattern of assets and liabilities as on March 31, 2023:

₹ in crore

Particulars	1 to 7 days	8 to 14 days	Over 14 days to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Borrowings	70.12	78.90	538.24	612.21	670.39	2,236.35	3,753.40	7,447.28	905.37	-	**16,312.26**
-Other than foreign currency liability	70.12	78.90	538.24	605.90	649.00	2,236.35	3,753.40	6,480.51	300.19	-	**14,712.61**
- Foreign currency liability	-	-	-	6.31	21.39	-	-	966.77	605.18	-	**1,599.65**
Advances	208.10	207.64	476.64	1,025.69	1,051.20	2,858.26	5,194.40	7,932.29	73.49	15.63	**19,043.34**
Investments	-	-	-	-	-	98.27	355.71	-	-	0.55	**454.53**

Note:

1. All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.
2. For the purpose of above disclosure, Advances include aggregate outstanding balance of Loans, Other Financial Assets and Other Non-Financial Assets.

j. Details of Financing of Parent Company Products

The Company was not involved in the financing of Parent Company products.

k. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the year.

l. Unsecured Advances

The Company has not given any Loans and advances against intangible securities during the year.

m. Registration/ license/ authorisation obtained from other financial regulators:

Regulator	Registration No.	Validity
Insurance Regulator and Development Authority		
Corporate Agents for :		
- HDFC Life Insurance Company Limited		
- ICICI Prudential Life Insurance Company Limited		
- Kotak Mahindra Life Insurance Company Limited		
- Shriram Life Insurance Company Limited	CA0642	March 15, 2022 to March 14, 2025
- CreditAccess Life Insurance Limited		
- Kotak General Insurance Company Ltd		
-ICICI Lombard General Insurance Company		
Pension Fund Regulatory and Development Authority	32092018	NA

n. Disclosure of penalties imposed by RBI and other regulators:

(i) March 31, 2024

₹ in crore

Applicable Regulation	Penalty Levied by	Reason	Date of Notice	Date of Payment	Fine Levied#
Regulation 18 of the SEBI (LODR) Regulations, 2015	BSE & NSE	Composition of the Audit Committee was not in accordance with the Regulation	22-May-23	23-May-23	0.01

\# penalty amount is including taxes.

(ii) March 31, 2023

₹ in crore

Applicable Regulation	Penalty Levied by	Reason	Date of Notice	Date of Payment	Fine Levied#
Regulation 57(4) of SEBI LODR, 2015	BSE	Non- submission of details of interest payment towards-INE741K07298	29-Sep-22	30-Sep-22	0.00
Regulation 18 of the SEBI (LODR) Regulations, 2015	BSE & NSE	Composition of the Audit Committee was not in accordance with the Regulation	21-Feb-23	24-Feb-23	0.03

\# penalty amount is including taxes.

o. Ratings assigned by credit rating agencies and migration of ratings:

Particulars	Name of rating agency	Date of rating	Rating / Previous year rating	Borrowing limit / conditions imposedby rating agency (₹ in crores)	Valid up to #
Long-term debt	CRISIL	30-Nov-23	CRISIL AA- Stable / CRISIL A+ Positive	4,000.00	29-Nov-24
Non-convertible debentures	CRISIL	30-Nov-23	CRISIL AA- Stable / CRISIL A+ Positive	25.00	29-Nov-24
Organization grading	CRISIL	05-Oct-23	M1C1/M1C1	NA	04-Oct-24
Long-term debt	ICRA	19-Oct-23	[ICRA]AA-(Stable) / [ICRA]AA-(Stable)	6,080.00	18-Oct-24
Non-convertible debentures	ICRA	19-Oct-23	[ICRA]AA-(Stable) / [ICRA]AA-(Stable)	184.00	18-Oct-24
Sub-ordinate Debt	ICRA	19-Oct-23	[ICRA]AA-(Stable) /[ICRA]AA-(Stable)	50.00	18-Oct-24
Commercial paper	ICRA	19-Oct-23	[ICRA]A1+ / [ICRA]A1+	500.00	18-Oct-24
Long-term debt	India Ratings and Research	10-Oct-23	Ind AA- Stable / Ind AA- Stable	6,000.00	09-Oct-24
Non-convertible debentures	India Ratings and Research	10-Oct-23	Ind AA- Stable / Ind AA- Stable	1,520.00	09-Oct-24
Principal Protected Market Linked Debenture	India Ratings and Research	10-Oct-23	IND PP-MLD AA- Stable /NA	60.00	09-Oct-24

Rating is subject to annual surveillance till final repayment/ redemption of rated facilities.

p. Provisions and contingencies (shown under the head expenditure in statement of profit and loss):

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Impairment of financial instruments	**451.77**	**401.02**
- Provision for Stage 1 & 2	406.44	592.78
- Provision for Stage 3	45.33	(191.76)
Provision for income tax	544.57	238.23
Provision for gratuity	15.13	6.91
Provision for leave encashment and availment	14.79	10.79
Provision fraud and misappropriation (net of recoveries)	0.30	0.03
Provision for other assets (net)	-	0.21
Provisions for depreciation on Investment	-	-
Total	**1,026.56**	**657.19**

q. Drawdown from reserves:

There has been no drawdown from reserves during the year ended March 31, 2024 (previous year: Nil).

r. Concentration of advances, exposures and NPAs

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Concentration of advances	-	
Total advances to twenty largest borrowers	3.76	3.16
(%) of advances to twenty largest borrowers to total advances	0.01%	0.02%
Concentration of exposures		
Total exposure to twenty largest borrowers / customers	3.76	3.16
(%) of exposures to twenty largest borrowers / customers to total exposure	0.01%	0.02%
Concentration of NPAs		
Total Exposure to top four NPA accounts	0.19	0.11

s. Movement of NPAs *

₹ in crore

Particulars	March 31, 2024	March 31, 2023
(i) Net NPAs to Net Advances (%)	**0.35%**	**0.35%**
(ii) Movement of NPAs (Gross):		
Opening balance	**236.39**	**558.65**
Additions during the year	407.28	396.29
Reductions during the year	341.02	718.55
Closing balance	**302.65**	**236.39**
(iii) Movement of Net NPAs		
Opening balance	**66.85**	**197.36**
Additions during the year (net)	34.29	(90.73)
Reductions during the year	13.36	39.77
Closing balance	**87.78**	**66.85**
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
Opening balance	**169.54**	**361.30**
Provisions made during the year	372.99	487.02
Write-off / write-back of excess provisions	327.66	678.78
Closing balance	**214.87**	**169.54**

* Represents Stage-III loans

t. Overseas Assets

The Company does not have any subsidiary / Joint venture abroad.

u. Off Balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have SPVs sponsored (which are required to be consolidated as per accounting norms).

v. Information on instances of fraud

Instances of fraud reported during the year ended March 31, 2024

₹ in crore

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount provided
Cash Embezzlement by employees	6	0.31	0.16	0.15

Instances of fraud reported during the year ended March 31, 2023

₹ in crore

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount provided
Cash Embezzlement by employees	11	1.06	0.09	0.97

w. Public disclosure on Liquidity risk management

(i) Funding concentration based on significant Counterparty (both deposits and borrowings)

As at March 31, 2024

Number of significant counterparties	Amount (₹ in Crore)	% of Total Deposits	% of Total Liabilities
25	18,052.36	NA	81.04%

As at March 31, 2023

Number of significant counterparties	Amount (₹ in Crore)	% of Total Deposits	% of Total Liabilities
24	13,415.86	NA	80.09%

(ii) Top 20 large deposits (amount in ₹ Crore and % of total deposits)-

Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-MFI) registered with Reserve Bank of India does not accept public deposits.

(iii) Top 10 borrowings (amount in ₹ Crore and % of total borrowings)

As at March 31, 2024

Amount (₹ in Crore)	% of Total Borrowings
11,325.47	51.85%

As at March 31, 2023

Amount (₹ in Crore)	% of Total Borrowings
9,405.22	57.66%

(iv) Funding concentration based on significant instrument / product

₹ in crore

Name of the instrument/ product	March 31, 2024	% of Total Liabilities	March 31, 2023	% of Total Liabilities
Term loans from Banks	13,004.99	58.38%	10,740.33	64.12%
Term Loans from Financial Institutions	2,417.36	10.85%	1,525.75	9.11%
Non Convertible Debentures	2,042.12	9.17%	1,672.35	9.98%
External commercial borrowings	3,686.85	16.55%	1,599.65	9.55%
Term Loans from Non banking Financial Companies	642.24	2.88%	597.47	3.57%

(v) Stock Ratios

As at March 31, 2024

Particulars	as a % of total public funds*	as a % of total liabilities*	as a % of total assets
Commercial papers	0%	0%	0%
Non-convertible debentures (original maturity of less than one year)	0%	0%	0%
Other short-term liabilities	2.15%	1.46%	1.13%

As at March 31, 2023

Particulars	as a % of total public funds*	as a % of total liabilities*	as a % of total assets
Commercial papers	0%	0%	0%
Non-convertible debentures (original maturity of less than one year)	0%	0%	0%
Other short-term liabilities	2.85%	2.11%	1.62%

(vi) Institutional set-up for liquidity risk management

The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance/ limits decided by it.

The Company also has a Risk Management Committee, which is a sub-committee of the Board and is responsible for evaluating the overall risk faced by the Company including liquidity risk

Asset Liability Management Committee (ALCO) of the Company is responsible ensuring adherence to the risk tolerance/ limits as well as implementing the liquidity risk management strategy of the Company.

Chief Risk Officer shall be part of the process of identification, measurement and mitigation of liquidity risks.

The ALM support group consist of CFO and Head-Treasury who shall be responsible for analysing, monitoring and reporting the liquidity profile to the ALCO.

***Notes**

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
3. Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.
4. "Public funds" shall include funds raised either directly or indirectly through public deposits, commercial paper, debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue as defined in Regulatory Framework for Core Investment Companies issued vide Notification No. DNBS (PD) CC.No. 206/03.10.001/2010-11 dated January 5, 2011.
5. The amount stated in this disclosure is based on the audited standalone financial statements for the year ended March 31, 2024.

x. Asset classification as per IRAC norms

(i) As at March 31, 2024

₹ in crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (Refer Note 1 below)	Difference between Ind AS 109 provisions and IRACP norms
-1-	-2-	-3-	-4-	(5)=(3)-(4)	-6-	(7) = (4)-(6)
Performing Assets						
Standard	Stage I *	25,209.47	234.58	24,974.89	177.51	57.07
	Stage II *	96.29	53.96	42.32	4.00	49.96
Subtotal		**25,305.76**	**288.54**	**25,017.21**	**181.51**	**107.03**
Non-Performing Assets (NPA)						
Substandard	**Stage III**	**302.64**	**214.87**	**87.78**	**71.71**	**143.16**
Doubtful - Up to 1 year	Stage III	-	-	-	-	-
1 to 3 years	Stage III	-	-	-	-	-
More than 3 years	Stage III	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage III	-	-	-	-	-
Subtotal for NPA		**302.64**	**214.87**	**87.78**	**71.71**	**143.16**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage I	-	-	-	-	-
	Stage II	-	-	-	-	-
	Stage III	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage I**	**25,209.47**	**234.58**	**24,974.89**	**177.51**	**57.07**
	Stage II	**96.29**	**53.96**	**42.32**	**4.00**	**49.96**
	Stage III	**302.64**	**214.87**	**87.78**	**71.71**	**143.16**
	Total	**25,608.40**	**503.41**	**25,104.99**	**253.22**	**250.19**

Notes:

1. Figures under these columns represent provisions determined in accordance with the Asset classification and provisioning norms as stipulated under Master Directions.
2. There are no accounts that are past due beyond 90 days but not treated as Stage 3/ NPA.

(i) As at March 31, 2023

₹ in crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (Refer Note 1 below)	Difference between Ind AS 109 provisions and IRACP norms
-1-	-2-	-3-	-4-	(5)=(3)-(4)	-6-	(7) = (4)-(6)
Performing Assets						
Standard	Stage I *	19,111.28	157.27	18,954.02	147.81	9.46
	Stage II *	43.52	21.02	22.50	0.38	20.65
Subtotal		**19,154.80**	**178.29**	**18,976.51**	**148.19**	**30.11**
Non-Performing Assets (NPA)						
Substandard	**Stage III**	**236.39**	**169.55**	**66.84**	**79.46**	**90.08**
Doubtful - Up to 1 year	Stage III	-	-	-	-	-
1 to 3 years	Stage III	-	-	-	-	-
More than 3 years	Stage III	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage III	-	-	-	-	-
Subtotal for NPA		**236.39**	**169.55**	**66.84**	**79.46**	**90.08**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage I	-	-	-	-	-
	Stage II	-	-	-	-	-
	Stage III	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage I**	**19,111.28**	**157.27**	**18,954.02**	**147.81**	**9.46**
	Stage II	**43.52**	**21.02**	**22.50**	**0.38**	**20.65**
	Stage III	**236.39**	**169.55**	**66.84**	**79.46**	**90.08**
	Total	**19,391.19**	**347.84**	**19,043.36**	**227.65**	**120.19**

Notes:

1. Figures under these columns represent provisions determined in accordance with the Asset classification and provisioning norms as stipulated under Master Directions.
2. There are no accounts that are past due beyond 90 days but not treated as Stage 3/ NPA.

y. Loans against the security of gold

i) The Company has disbursed loans against the security of gold during financial year 2023-24 and 2022-23. However, no auctions were conducted.

ii) Percentage of Loans against the security of gold to total asset:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Gold Loans granted against collateral of gold jewellery (principal portion)	1.52	1.87
Total assets of the Company	28,846.01	21,858.06
Percentage of Gold Loans to Total Assets	0.01%	0.01%

z. Details of resolution plans implemented under the resolution Framework for Covid-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) as at March 31, 2024:

₹ in crore

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of the previous half year i.e. September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2024	Of (A) amount written off during the half-year ended March 31, 2024	Of (A) amount paid by the borrowers during the halfyear ended March 31, 2024 #	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. March 31, 2024
Personal Loans*	0.22	0.02	-	0.20	-
Corporate persons	-	-	-	-	-
Total	**0.22**	**0.02**	**-**	**0.20**	**-**

Note:

- In the above table, asset classification is reported as per Ind AS.

Amount paid by the borrower during the half year is net of additions in the exposure on account of interest accrual.

* Includes group loan (GL) and individual loan (IL).

aa. Disclosure of resolution plans implemented during the year ended March 31, 2024 in terms of RBI's notification no. RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7 June 2019 is as follows:

Number of accounts where resolution plan has been implemented*	Exposure as at March 31, 2024 (₹ in crore)
579	1.86

* Includes group loan (GL) and individual loan (IL) this includes upgrade restructured loans as well.

ab. Details of loans transferred / acquired during the year ended March 31, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) Details of transfer through Direct assignment in respect of loans not in default during the year March 31, 2024 and March 31, 2023:

Particulars	March 31, 2024	March 31, 2023
Number of Loans	400,993	559,186
Aggregate amount (₹ in crore)	1,257.34	1,940.92
Sale consideration (₹ in crore)	1,096.51	1,721.56
Number of transactions	3	9
Weighted average remaining maturity (in months)	17	16
Weighted average holding period after origination (in months)	8	8
Retention of beneficial economic interest	10% to 15%	5% to 15%
Coverage of tangible security Coverge	-	-
Rating wise distribution of rated loans	-	-
Number of instances (transactions) where transferred as agreed to replace the transferred loans	-	-
Number of transferred loans replaced	-	-

(ii) The Company has not transferred any non-performing assets (NPAs).

(iii) The Company has not acquired any loans through assignment.

(iv) The Company has not acquired any stressed loan.

ac. Liquidity Coverage Ratio Disclosure

Institutional set-up for liquidity risk management

The RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of ₹10,000 crore and above from December 1, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

The Company follows the criteria laid down by RBI for calculation of High Quality Liquid Assets (HQLA), gross outflows and inflows within the next 30-day period. HQLA predominantly comprises cash and balance with other banks in current account. All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation template.

The disclosure on Liquidity Coverage Ratio of the Company for the year ended March 31, 2024 is as under:

₹ in crore

Particulars	Quarter March 31, 2024		Quarter December 31, 2023		Quarter September 30, 2023		Quarter June 30, 2023	
	Total unweighted value (average) @	Total weighted value (average)	Total unweighted value (average) @	Total weighted value (average)	Total unweighted value (average) @	Total weighted value (average)	Total unweighted value (average) @	Total weighted value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)								
Cash and bank balance	142.34	142.34	119.06	119.06	90.07	90.07	100.45	100.45
Government securities	615.07	615.07	649.63	649.63	712.12	712.12	673.71	673.71
	757.41	**757.41**	**768.69**	**768.69**	**802.19**	**802.19**	**774.16**	**774.16**
Cash outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	-	-	-	-	-	-	-	-
4 Secured wholesale funding	-	-	-	-	-	-	-	-
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	1,251.98	1,439.78	1,163.52	1,338.05	1,300.23	1,495.26	948.52	1,090.80
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 TOTAL CASH OUTFLOWS	**1,251.98**	**1,439.78**	**1,163.52**	**1,338.05**	**1,300.23**	**1,495.26**	**948.52**	**1,090.80**
Cash inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	1,777.88	1,333.41	1,524.72	1,143.54	1,517.13	1,137.85	1,454.12	1,090.59
11 Other cash inflows #	448.44	336.33	623.72	467.79	299.15	224.36	356.18	267.14
12 TOTAL CASH INFLOWS	**2,226.32**	**1,669.74**	**2,148.44**	**1,611.33**	**1,816.28**	**1,362.21**	**1,810.30**	**1,357.72**
13 Total HQLA		757.41		768.69		802.19		774.16
14 Total net cash outflows		359.95		334.51		373.81		272.70
15 Liquidity Coverage Ratio (%)		210.42%		229.79%		214.60%		283.89%

@ Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows). Averages are calculated basis simple average of daily observations.

Other cash inflows includes Fixed deposit placed with banks and proceeds from redemption of mutual funds.

The disclosure on Liquidity Coverage Ratio of the Company for the year ended March 31, 2023 is as under:

₹ in crore

Particulars	Quarter March 31, 2023		Quarter December 31, 2022		Quarter September 30, 2022		Quarter June 30, 2022	
	Total unweighted value (average) @	Total weighted value (average)$	Total unweighted value (average) @	Total weighted value (average)$	Total unweighted value (average) @	Total weighted value (average)$	Total unweighted value (average) @	Total weighted value (average)$
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)								
Cash and bank balance	112.00	112.00	82.71	82.71	47.00	47.00	76.32	76.32
Government securities	471.31	471.31	442.06	442.06	294.19	294.19	80.30	80.30
	583.31	**583.31**	**524.77**	**524.77**	**341.19**	**341.19**	**156.62**	**156.62**
Cash outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	-	-	-	-	-	-	-	-
4 Secured wholesale funding	-	-	-	-	-	-	-	-
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	1,007.18	1,158.26	974.14	1,120.26	747.70	859.85	771.47	887.20
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 TOTAL CASH OUTFLOWS	**1,007.18**	**1,158.26**	**974.14**	**1,120.26**	**747.70**	**859.85**	**771.47**	**887.20**
Cash inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	1,239.57	929.68	994.06	745.55	974.77	731.08	844.40	633.30
11 Other cash inflows #	912.93	684.70	870.73	653.04	519.74	389.81	1,128.56	846.42
12 TOTAL CASH INFLOWS	**2,152.49**	**1,614.37**	**1,864.79**	**1,398.59**	**1,494.52**	**1,120.89**	**1,972.96**	**1,479.72**
13 Total HQLA		583.31		524.77		341.19		156.62
14 Total net cash outflows		289.57		280.06		214.96		221.80
15 Liquidity Coverage Ratio (%)		201.44%		187.37%		158.72%		70.61%

$ Quarter ending March 31, 2023 Liquidity Coverage Ratio is calculated based on Merged entiry basis (due to merger of Madura Micro Fianance Limited with the Company). All earlier quarters are based on Standalone enitiy basis.

@ Unweighted values calculated as outstanding balances maturing or callable within one month (for inflows and outflows). Averages are calculated basis simple average of month-end observations for Q4-FY2023.

Other cash inflows includes Fixed deposit placed with banks and proceeds from redemption of mutual funds.

ad. Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time) ["the Master Direction"]

₹ in crore

Particulars	March 31, 2024		March 31, 2023	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
1) Liabilities Side:				
Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	2,042.12	-	1,672.35	-
: Unsecured	-	-	52.65	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans *	19,798.89	-	14,587.25	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposit	-	-	-	-
(g) Other Loans (Working Capital Loans from Banks)	-	-	-	-

* Including securitisation.

₹ in crore

Particulars	March 31, 2024	March 31, 2023
	Amount Outstanding	Amount Outstanding
Assets side :		
2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] (net carrying value):		
(a) Secured	196.64	60.21
(b) Unsecured	25,411.76	19,330.98
3) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

ad. Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time) ["the Master Direction"] (continued)

₹ in crore

Particulars	March 31, 2024 Amount Outstanding	March 31, 2023 Amount Outstanding
Assets side (continue) :		
4) Break-up of Investments :		
Current Investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	797.91	-
(iv) Government Securities	640.45	453.98
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Certificate of Deposits and Commercial Paper)		
Long Term investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	0.55	0.55
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

ad. Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (issued vide Circular No. DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, including the amendments from time to time) ["the Master Direction"] (continued)

5) Borrower group-wise classification of assets financed as in (2) and (3) above :

₹ in crore

Category	March 31, 2024			March 31, 2023		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	192.22	24,912.77	25,104.99	58.79	18,984.55	19,043.34
Total	**192.22**	**24,912.77**	**25,104.99**	**58.79**	**18,984.55**	**19,043.34**

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

₹ in crore

Category	March 31, 2024		March 31, 2023	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **				
(a) Subsidiaries	NA	0.01	NA	0.01
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	NA	1,438.90	NA	454.52
Total		**1,438.91**		**454.53**

** As per Ind AS

7) Other information

₹ in crore

Category	March 31, 2024			March 31, 2023		
	Secured	Unsecured	Total	Secured	Unsecured	Total
(i) Gross Non-Performing Assets						
(a) Related parties	-	-	-	-	-	-
(b) Other than related parties	0.29	302.36	302.65	0.21	236.18	236.39
(ii) Net Non-Performing Assets						
(a) Related parties	-	-	-	-	-	-
(b) Other than related parties	0.02	87.76	87.78	0.03	66.82	66.85
(iii) Assets acquired in satisfaction of debt	**-**	**-**	**-**	**-**	**-**	**-**

ae. Related Party disclosure

₹ in crore

Items	Parent (as per ownership or control) March 31, 2024	Parent (as per ownership or control) March 31, 2023	Subsidiaries March 31, 2024	Subsidiaries March 31, 2023	Associates/ Joint ventures March 31, 2024	Associates/ Joint ventures March 31, 2023	Key Management Personnel March 31, 2024	Key Management Personnel March 31, 2023	Relatives of Key Management Personnel March 31, 2024	Relatives of Key Management Personnel March 31, 2023	Others^ March 31, 2024	Others^ March 31, 2023	Total March 31, 2024	Total March 31, 2023
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances #	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments#	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received #	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others:														
Distribution Income	-	-	-	-	-	-	-	-	-	-	16.33	-	16.33	-
CD Deposit Given	-	-	-	-	-	-	-	-	-	-	0.20	-	0.20	-
Reimbursement expenses	-	-	-	-	-	-	-	-	-	-	0.00	-	0.00	-
Remuneration to KMP	-	-	-	-	-	-	14.22	10.80	-	-	-	-	14.22	10.80
Setting Fee	-	-	-	-	-	-	0.98	0.85	-	-	-	-	0.98	0.85
Commission to Directors	-	-	-	-	-	-	1.45	1.26	-	-	-	-	1.45	1.26
Grant Given	-	-	12.17	11.51	-	-	-	-	-	-	-	-	12.17	11.51
Rent received	-	-	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
Balances Written off	-	-	-	1.49	-	-	-	-	-	-	-	-	-	1.49
Provision reversal	-	-	-	(1.49)	-	-	-	-	-	-	-	-	-	(1.49)
Others Outsanding:														
Distribution Income receivable	-	-	-	-	-	-	-	-	-	-	2.77	-	2.77	-
CD Deposit receivable	-	-	-	-	-	-	-	-	-	-	0.20	-	0.20	-
Commission to Directors payable	-	-	-	-	-	-	1.20	0.87	-	-	-	-	1.20	0.87

^ Includes Fellow subsidiary

af. Disclosure of Complaints

(i) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	March 31, 2024	March 31, 2023
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	-	3
2	Number of complaints received during the year	1,516	2,933
3	Number of complaints disposed during the year	1,515	2,936
3.1	Of which, number of complaints rejected by the NBFC	622	1,177
4	Number of complaints pending at the end of the year	1	-
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	14	10
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	14	10
5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	Nil	Nil
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

(ii) Top five grounds of complaints received by the NBFCs from customers

Sr. No	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	March 31, 2024					
1	Loans and advances application	-	742	-59.01%	-	-
2	Credit Bureau related	-	106	-25.4%	-	-
3	Insurance	-	378	-15.6%	-	-
4	Loans and advances disbursement and repayment		96	-73.4%	-	-
5	Grievance against staff	-	52	-50.0%	-	-
6	Others	-	142	108.8%	1	-
	Total	**-**	**1,516**	**-48.3%**	**1**	**-**
	March 31, 2023					
1	Loans and advances application	1	1,810	-15.70%	-	-
2	Credit Bureau related	1	142	238.10%	-	-
3	Insurance	1	448	-35.82%	-	-
4	Loans and advances disbursement and repayment	-	361	-38.29%	-	-
5	Grievance against staff	-	104	18.18%	-	-
6	Others	-	68	-29.17%	-	-
	Total	**3**	**2,933**	**-8.03%**	**-**	**-**

ag. Loans to Directors, Senior Officers and Relatives of Directors

There are no loans given to Directors, Senior Officers and Relatives of Directors.

ah. Revenue Recognition

There are no instances where revenue recognition has been postponed pending the resolution of significant uncertainties.

ai. Channelizing Agents for Schemes operated by Central/State Government Agencies

The Company has not engaged as Channelizing Agents for Schemes operated by Central/State Government Agencies.

aj. Exposure to Real estate and Capital Market

(i) Exposure to Real estate

₹ in crore

Category	March 31, 2024	March 31, 2023
A. Direct exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	177.17	52.74
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	Nil	Nil
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures-		-
a. Residential	Nil	Nil
b. Commercial Real Estate.	Nil	Nil
B. Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	Nil	Nil
Total Exposure to Real Estate Sector	177.17	52.74

(ii) Exposure to Capital Market

₹ in crore

Category	March 31, 2024	March 31, 2023
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt #	0.55	0.55
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii) Bridge loans to companies against expected equity flows / issues	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds: (a) Category I (b) Category II (c) Category III	-	-
Total exposure to capital market	0.55	0.55

\# Investment in un-listed company.

ak. Intra-group exposures

The Company has not given advances to Group companies as on March 31, 2024 (March 31, 2023: Nil).

al. Unhedged foreign currency exposure

The Company has no unhedged foreign currency exposure as on March 31, 2024 (March 31, 2023: Nil).

am. Divergence in Asset classification and provisioning

There is no Divergence assessed by Reserve Bank of India.

an. Sectoral exposure #

Sectors	March 31, 2024			March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore) ^	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore) ^	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	15,951.09	181.56	1.14%	11,380.85	132.57	1.16%
2. Industry	-	-	-	-	-	-
3. Services						
(i) Other services (Micro activities and Essential Services)	10,564.15	138.57	1.31%	9,567.83	101.87	1.06%
Total of Services	**10,564.15**	**138.57**	**1.31%**	**9,567.83**	**101.87**	**1.06%**
4. Personal Loans						
(i) Gold Loans	1.52	0.00	0.09%	1.87	0.01	0.30%
(ii) Vehicle Loans	18.23	0.03	0.19%	3.94	0.01	0.18%
(ii) Other Personal Loans	0.25	0.22	89.94%	24.30	6.09	25.05%
Total of Personal Loans	**20.00**	**0.25**	**1.24%**	**30.11**	**6.11**	**20.29%**
5. Others, if any (please specify)						
(i) Mortgage Loan *	28.32	-	0.00%	-	-	-
(ii) Loan against property (LAP)	150.90	0.26	0.17%	53.00	0.19	0.36%

This disclosure is prepared based on principal outstanding as at reporting date.

^ Represents Stage 3

* Including Affordable housing and Home improvement Loan.

ao. Sector-wise NPAs

Sector #	Percentage of NPAs ^ to Total dvances in that sector	
	March 31, 2024	March 31, 2023
Agriculture and allied activities	1.12%	1.18%
MSME	-	-
Corporate borrowers	-	-
Services *	1.22%	1.14%
Unsecured personal loans	-	-
Auto loans	0.19%	0.18%
Gold Loans	0.09%	0.30%
Mortgage Loan	0.00%	-
Loan against property (LAP)	0.17%	0.36%
Other personal loans	89.94%	25.05%

This disclosure is prepared based on On-balance sheet principal outstanding as at reporting date.

^ Represents Stage 3

* Represents Micro activities and Essential Services

ap. Disclosure of Restructured Accounts

₹ in crore

Particulars		Standard $	Sub-Standard $$	Doubtful	Loss	Total
Restructured Accounts as on April 01, 2023*	No. of borrowers	-	132	-	-	132.00
	Amount outstanding	-	0.78	-	-	0.78
	Provision thereon	-	-	-	-	-
Fresh restructuring during the year	No. of borrowers	9	67	-	-	76.00
	Amount outstanding	0.04	0.34	-	-	0.38
	Provision thereon	0.00	0.10	-	-	0.10
Upgradations to restructured standard category during the year	No. of borrowers	NA	NA	NA	NA	NA
	Amount outstanding	NA	NA	NA	NA	NA
	Provision thereon	NA	NA	NA	NA	NA
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the year and hence need not be shown as restructured standard advances at the beginning of the next year	No. of borrowers	133.00	-	-	-	133.00
	Amount outstanding	0.96	-	-	-	0.96
	Provision thereon	0.01	-	-	-	0.01
Downgradation of restructured accounts during the year	No. of borrowers	-	4	-	-	4.00
	Amount outstanding	-	0.02	-	-	0.02
	Provision thereon	-	0.01	-	-	0.01
Write-offs of restructured accounts during the year	No. of borrowers	-	-	-	2	2.00
	Amount outstanding	-	-	-	0.01	0.01
	Provision thereon	NA	NA	NA	NA	NA
Restructured Accounts as on March 31, 2024*	No. of borrowers	-	67	-	-	67.00
	Amount outstanding	-	0.34	-	-	0.34
	Provision thereon	-	0.10	-	-	0.10

* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).

$ Stage 1 & Stage 2 loans

$$ Stage 3 loans

Note:

1. During the year no advances has been restructured under CDR mechanisim or Under SME Debt Restructuring Mechanism.
2. As per Company policy, company assesses the performace of resturcutred loan for 6 months. Wherever the loan become performing, the same is upgraded to standard category. If it does not perform, the same would be considered as 'Default'/ Stage 3 loans as per Ind-AS.

44 Operating segments

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company. The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure. No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2024 and March 31, 2023.

45 Goodwill impairment testing

Goodwill is subject to review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill does not generate cash flows independent of other assets of the overall business and its fair value cannot be separately estimated. Therefore, it has been tested at a Cash generating Unit level ("level comprising all assets of the business including goodwill"). Goodwill carried as at the balance sheet date represents goodwill acquired in a business combination of the Company with Madhura Microfinance Ltd ('MMFL') and since both are in similar businesses, on merger of MMFL, the Company as a whole has been treated as one Cash Generating Unit (CGU) representing lowest level at which the goodwill is monitored for internal management purposes and the business of erstwhile MMFL and the Company are not treated as two distinct operating segments by the company. In view of this, CAGL as a whole is valued as one CGU for the purpose of assessing the impairment of goodwill. Based on the assessment no impairment was identified in FY 2023-24 (FY 2022-23: Nil)

The carrying amount of goodwill as at March 31, 2024 is ₹ 375.68 (March 31, 2023: ₹375.68).

The recoverable amount of each CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows. Following key assumptions have been considered by the Management while performing Impairment testing;

Particulars	March 31, 2024
Discount Rate	14%
Terminal Growth rate	5%

The projections cover a period of five years, as the Company believes this to be the most appropriate timescale over which to review and consider annual performances before applying a terminal value multiple to the final year cash flows. The growth rates used to estimate cash flows for the first five years are based on past performance, and on the Company's five-year strategic plan.

Weighted Average Cost of Capital % (WACC) for the Company = Risk free return + (Market risk premium x Beta). The Company has performed sensitivity analysis and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

46 The Company uses accounting software for maintaining its books of account which have a feature of audit trail (edit log) facility at the application level for each change made in the books of account along with such changes made. This feature of audit trail (edit log) facility was operated throughout the year for all the transactions recorded in such software.

The feature of audit trail (edit log) facility at database level was enabled during the month of March 2024 for the loan management system and partly enabled during the month of March 2024 for the general ledger accounting software. Access to the database of all accounting software is available only to database administrators for the limited purpose of its maintenance for which access and monitoring controls are enabled and all such activities of the administrators have been logged and monitored throughout the year through privilege access management tools. Also, no changes have been made to any transaction recorded in the books of account, directly at the database level during the year. The audit trail (edit log) feature has not been tampered with during the year.

47 Earnings per share (EPS)

The following reflects the profit after tax and equity share data used in the basic and diluted EPS calculations:

Particulars	March 31, 2024	March 31, 2023 *
Net profit after tax as per statement of profit and loss (₹ in crores)	1,445.93	826.03
Net profit as above for calculation of basic EPS and diluted EPS (₹ in crores)	1,445.93	826.03
Weighted average number of equity shares in calculating basic EPS	159,100,775	158,735,423
Stock options granted under ESOP	832,149	684,988
Weighted average number of equity shares in calculating diluted EPS	159,932,924	159,420,412
Earnings per share	90.88	52.04
Diluted earnings per share	90.41	51.81
Nominal value per share	10.00	10.00

* Company has considered share issued in business combination transaction while calculating Basic and diluted EPS for the year ended March 31, 2023.

48 Other Disclosures

(i) No Benami Property is held by the Company and/or there are no proceedings that have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

(iii) There were no delay in repayment of borrowings and Subordinated liabilities as at March 31, 2024 and March 31, 2023

(iv) There are no charges or satisfaction in relation to any debt / borrowings which are yet to be registered with ROC beyond the statutory period.

(v) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vi) Other than the transactions that are carried out as part of Company's normal lending business:

A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall-

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)

or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)

or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year and previous year.

(viii) There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

(ix) **Other litigation:**

Demand notice for ₹ 46.02 crores pertaining to AY 2022-23 has been received from Income Tax department. The Company had submitted modified return giving effect to the merger with Madhura Micro Finance limited ('MMFL'). This was on retrospective basis with effect from April 01, 2020. Merger was approved by the NCLT order dated February 7, 2023. While scrutiny proceedings were carried out based on pre-merger original return, order was passed based on the post-merger modified return without considering the additional deductions claimed by MMFL. In view of this, Company has filed a rectification under section 154 of Income Tax Act and also filed an appeal. The assessment order or demand was concluded or raised without giving an opportunity of being heard. Accordingly, as the demand was calculated based on factually incorrect data, Company has filed a rectification under section 154 of income tax act and also filed for appeal.

Pursuant to the agreement executed one of the business correspondence partners, the Company has exercised the lien and received an amount of ₹ 2.89 crs. This has been challenged by the business correspondence partner in court of law.

With respect to both the above, as per Company's assessment, the probability of the liability devolving on the Company is remote. Accordingly, the same is neither been provided for nor been considered as contingent liability.

(x) Analytical Ratios:

CreditAccess Grameen Limited for March 31, 2024

₹ in crore

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
- Tier I CRAR	5,853.83	26,326.77	22.24%	22.69%	-2.01%	N/A
- Tier II CRAR	236.36	26,326.77	0.90%	0.89%	0.87%	N/A
Liquidity Coverage Ratio	757.41	289.57	261.57%	201.44%	29.85%	$

$ Same is Maintained higer than as per RBI mandate.

CreditAccess Grameen Limited for March 31, 2023

₹ in crore

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
- Tier I CRAR	4,393.04	19,359.74	22.69%	25.87%	-12.28%	N/A
- Tier II CRAR	172.31	19,359.74	0.89%	0.67%	33.52%	#
Liquidity Coverage Ratio	583.31	289.57	201.44%	389.66%	-48.30%	$

increase in stage 1 provisioning %.

$ Same is Maintained higer than as per RBI mandate.

49 Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/ disclosure adopted in the current year.

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

Place: Bengaluru
Date: May 07, 2024

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

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

George Joseph
Chairman and Lead Independent Director
DIN: 00253754

Ganesh Narayanan
Chief Executive Officer

S Balakrishna Kamath
Chief Financial Officer

Place: Bengaluru
Date: May 07, 2024

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

CONSOLIDATED AUDITOR'S REPORT

Consolidated Auditors' Report

PKF Sridhar & Santhanam LLP
Chartered Accountants
T8 & T9, Third Floor,Gem Plaza,
66, Infantry Road,Bengaluru 560 001

Phone: 080-41307244
Email: bangalore@pkfindia.in

Varma & Varma
Chartered Accountants
424, 4th C Main, 6th Cross, OMBR Layout,
Banaswadi, Bengaluru 560 043

Phone: 080 4244 4999
Email: bangalore@varmaandvarma.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CREDITACCESS GRAMEEN LIMITED
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **CREDITACCESS GRAMEEN LIMITED** ("hereinafter referred to as the 'Holding Company"), and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, the Statement of Consolidated Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information and other explanatory information ("Referred to as Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2024, and its Consolidated profit, Consolidated total comprehensive income, the Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in sub para (a) of the Other Matters paragraph is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How the key audit matter was addressed in our Audit
Impairment of Loans (Expected Credit Losses) (Refer note 3.14 & 26 of the Consolidated financial statements)	
The Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS requirements and the relevant Reserve Bank of India's (RBI) regulations/circulars. The recognition and measurement of impairment of loans involve significant management judgement. The Group's impairment allowance is derived from estimates including the historical default and loss ratios using criteria in accordance with Ind AS 109 and considering applicable RBI's regulations/ circulars. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans. Since the recognition and measurement of impairment of loans is significant to the overall audit due to stakeholder and regulatory focus, we have ascertained this as a key audit matter. The relevant disclosures are made in financial statements for ECL including those relating to judgements and estimates by the Management in determination of the ECL. Refer note 7(A), note 7(B) and note 41.2 to the consolidated financial statements.	Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. These procedures included the following: - We examined Policy of Board of Directors approving the methodology for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Group. - We had performed the walkthrough of the ECL process. - We evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the classification of assets into stages. - We tested, on a sample basis, the input and historical data used for determining the Probability of Default (PD) and Loss Given Default (LGD) rates, model validation and agreed the data with the underlying books of account and records. We have also reviewed the system and processes relating to re-validation or re-assessment of various parameters and judgements involved in the same. - We tested the arithmetical calculation of the workings of the ECL. - We evaluated that the Group's impairment allowance is derived in accordance with Ind AS 109 which also include considering the impact of RBI's regulations/circulars. - We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 on ECL including judgements used in estimation of ECL provision.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board of Directors' Report and Annexures thereto, Management Discussion and Analysis and other information/reports included in the Company's annual report (the "Reports") but does not include the consolidated financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of the respective companies included in the Group are responsible for assessing the ability of the respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate their entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial statements of a subsidiary, whose financial statements reflects total assets of ₹ 0.14 crore and net assets of ₹ 0.13 crore as at March 31, 2024, total receipts of ₹ 12.24 crores and net cash inflow amounting to ₹ 0.10 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements of the subsidiary have been audited by their auditor whose audit report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates this subsidiary is based solely on the report of their auditor.

   Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the report of the other auditor.

b) The Consolidated financial statements as at and for the year ended March 31, 2023, have been audited by PKF Sridhar & Santhanam LLP, Chartered Accountants, one of the joint auditors of the Company, together with another auditor whose report dated May 16, 2023 expressed an unmodified opinion on those Consolidated financial statements. Accordingly, we, Varma & Varma, Chartered Accountants do not express any opinion on the figures and disclosures reported in the consolidated financial statements as at and for the year ended March 31, 2023.

   Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of other auditor on separate financial statements and other financial information of subsidiary as mentioned in the 'Other matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books and the report of the other auditor.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary and taken on record by the Board of Directors of the Holding Company and its subsidiary, respectively, and the reports of the statutory auditors of its subsidiary, covered under the Act, none of the directors of the Group, are disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion. In respect of the subsidiary company the auditor of the subsidiary company has reported that the provisions of Section 143(3)(i) of the Act are not applicable to the said subsidiary.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements - Refer Note 34 and 46 (ix) to the Consolidated financial statements;

      ii. The Group has made provision, as required under the applicable accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and the subsidiary.

      iv. (a) The respective Managements of the Holding company and its subsidiary company whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the note 46(vi)(A) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding company and its subsidiary whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the note 46 (vi)(B) to the consolidated financial statements, no funds have been received by the Holding Company or subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us and that performed by the auditor of the subsidiary whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Holding Company has not declared or paid any dividend during the year. As stated in note 20.8 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. As per the report of the auditor of the subsidiary, the subsidiary company being a company incorporated under Section 8 of the Act, payment of dividend is prohibited and reporting under this clause is not relevant for the subsidiary.

vi. As stated in Note 45 to the consolidated financial statements and according to the information and explanations given to us by the Holding Company and based on our examination which included test checks, the Holding Company has used the accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in such software, except that the feature of audit trail (edit log) facility at database level has been enabled during the month of March 2024 for the loan management system and partly enabled during the month of March 2024 for the general ledger accounting software.

During the course of our audit, we did not come across any instance of audit trail feature being tampered with for the period for which audit trail was enabled.

As reported by the auditor of the subsidiary, the subsidiary company has used accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software. Further during the course of their audit, they did not come across any instance of audit trail feature being tampered with.

As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act in our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The subsidiary company has not paid any managerial remuneration to its directors.

3. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditors' Report) Order, 2020 ("CARO") issued by the Central Government in terms of section 143 (11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us, and the auditor of the subsidiary company included in the consolidated financial statements, as provided to us by the management of the Holding company, we report that CARO is applicable only to the Holding Company and not to the subsidiary included in the Consolidated Financial Statements as the subsidiary company is a company registered under Section 8 of the Act. We have not reported any qualification or adverse remark in the CARO report of the Holding Company.

PKF Sridhar & Santhanam LLP

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

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 24208545BKAEML1612

Place: Bengaluru
Date: May 07, 2024

Varma & Varma

Chartered Accountants
(Firm's Registration No. 004532S)

K P Srinivas
Partner
Membership No. 208520
UDIN: 24208520BKBLUS2729

Place: Bengaluru
Date: May 07, 2024

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Consolidated financial statements of **CREDITACCESS GRAMEEN LIMITED** (hereinafter referred to as "the Holding Company") as of March 31, 2024 in conjunction with our audit of the Consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding company is responsible for establishing and maintaining internal financial controls with reference to Consolidated financial statements based on the internal control with reference to Consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated financial statements of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated financial statements included obtaining an understanding of internal financial controls with reference to Consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls with reference to Consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated financial statements

A company's internal financial control with reference to Consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to Consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to Consolidated financial statements may become inadequate

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls with reference to Consolidated financial statements and such internal financial controls with reference to Consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Consolidated financial statements established by the Holding Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

PKF Sridhar & Santhanam LLP

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

Seethalakshmi M
Partner
Membership No. 208545
UDIN: 24208545BKAEML1612

Place: Bengaluru
Date: May 07, 2024

Varma & Varma

Chartered Accountants
(Firm's Registration No.004532S)

K P Srinivas
Partner
Membership No. 208520
UDIN: 24208520BKBLUS2729

Place: Bengaluru
Date: May 07, 2024

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet

as at March 31, 2024

₹ in crore

Sr.No	Particulars	Notes	As at March 31, 2024	As at March 31, 2023
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	4	1,107.29	1,341.41
(b)	Bank balance other than cash and cash equivalents	5	206.62	95.02
(c)	Derivative financial instruments	6	36.55	31.63
(d)	Loans	7	25,104.99	19,043.34
(e)	Investments	8	1,438.90	454.52
(f)	Other financial assets	9	121.39	149.59
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	30	55.63	39.56
(b)	Deferred tax assets (net)	30	136.92	80.93
(c)	Property, plant and equipment	11 (A)	32.08	32.08
(d)	Right of use assets	11 (A)	89.27	64.75
(e)	Intangible assets under development	11 (B)	4.54	3.94
(f)	Goodwill	44	375.68	375.68
(g)	Other Intangible assets	11 (A)	112.05	126.52
(h)	Other non-financial assets	10	24.25	19.13
	TOTAL ASSETS		**28,846.16**	**21,858.10**
	LIABILITIES AND EQUITY			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	12	-	0.10
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	12	36.52	43.95
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	12	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12	219.83	259.65
(b)	Debt securities	13	2,042.12	1,672.35
(c)	Borrowings (other than debt securities)	14	19,773.65	14,562.00
(d)	Subordinated liabilities	15	25.24	77.91
(e)	Other financial liabilities	16	106.50	78.88
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (Net)	30	-	0.56
(b)	Provisions	17	47.46	36.63
(c)	Other non-financial liabilities	18	24.86	19.10
(3)	**Equity**			
(a)	Equity share capital	19	159.38	158.91
(b)	Other equity	20	6,410.60	4,948.06
	Total liabilities and equity		**28,846.16**	**21,858.10**

The accompanying notes are an integral part of the Consolidated financial statements.
In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

Place: Bengaluru
Date: May 07, 2024

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

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

George Joseph
Chairman and Lead Independent Director
DIN: 00253754

Ganesh Narayanan
Chief Executive Officer

S Balakrishna Kamath
Chief Financial Officer

Place: Bengaluru
Date: May 07, 2024

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

₹ in crore

Sr.No	Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I	**Revenue from operations**			
(a)	Interest income	21	4,900.11	3,327.13
(b)	Fees and commission income	22	92.42	19.51
(c)	Net gain on fair value changes	23	34.51	18.14
(d)	Bad debts recovery		47.69	58.09
(e)	Net gain on derecognition of financial instruments under amortised cost category		91.94	122.25
	Total revenue from operations (I)		**5,166.67**	**3,545.12**
II	**Other income**	24	**5.98**	**5.67**
III	**Total income (I+II)**		**5,172.65**	**3,550.79**
IV	**Expenses**			
(a)	Finance costs	25	1,732.44	1,212.88
(b)	Fee and commission expense		3.90	1.80
(c)	Impairment on financial instruments	26	451.77	401.02
(d)	Employee benefit expenses	27	669.43	515.24
(e)	Depreciation and amortization expenses	28	51.15	49.84
(f)	Other expenses	29	324.78	264.59
	Total expenses (IV)		**3,233.47**	**2,445.37**
V	**Profit before tax (III-IV)**		**1,939.18**	**1,105.42**
VI	**Tax expense**	30		
	(1) Current tax		544.57	238.23
	(2) Deferred tax		(51.32)	41.13
	Total tax expense (VI)		**493.25**	**279.36**
VII	**Profit for the year (V-VI)**		**1,445.93**	**826.06**
VIII	**Other comprehensive income/ (loss)**			
(a)	Items that will not be reclassified to profit or loss			
	(i) Remeasurement of defined benefit obligation		(1.07)	(0.60)
	(ii) Tax effect on above		0.27	0.15
	Subtotal (a)		**(0.80)**	**(0.45)**
(b)	Items that will be reclassified to profit or loss			
	(i) Effective portion of cash flow hedges		(18.56)	11.84
	(ii) Tax effect on above		4.67	(2.98)
	Subtotal (b)		**(13.89)**	**8.86**
	Other comprehensive income / (loss) (VIII = a+b)		**(14.69)**	**8.41**
IX	**Total comprehensive income (VII+VIII) (comprising profit and other comprehensive income/(loss) for the year)**		**1,431.24**	**834.47**
X	**Earnings per equity share (EPS) (face value of ₹10.00 each)**	47		
	Basic (in ₹)		90.88	52.04
	Diluted (in ₹)		90.41	51.82

The accompanying notes are an integral part of the Consolidated financial statements.

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

Place: Bengaluru
Date: May 07, 2024

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

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

George Joseph
Chairman and Lead Independent Director
DIN: 00253754

Ganesh Narayanan
Chief Executive Officer

S Balakrishna Kamath
Chief Financial Officer

Place: Bengaluru
Date: May 07, 2024

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Consolidated Statement of changes in Equity

for the year ended March 31, 2024

a) Equity share capital

As at March 31, 2024 and March 31, 2023
Equity shares of ₹10 each issued, subscribed and fully paid.

Particulars	March 31, 2024		March 31, 2023	
	No of shares	₹ in crores	No of shares	₹ in crores
Restated balance at the beginning of the year	**158,906,443**	**158.91**	**155,866,346**	**155.87**
Changes in Equity Share Capital due to prior year errors	-	-	-	-
Restated balance at the beginning year	**158,906,443**	**158.91**	**155,866,346**	**155.87**
Changes in equity share capital during the year	470,524	0.47	3,040,097	3.04
Balance at the end of the year	**159,376,967**	**159.38**	**158,906,443**	**158.91**

b) Other equity

₹ in crore

Particulars	Reserve & Surplus					Shares to be issued	Debt instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedge	Total Other Equity (A)
	Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934) (Refer Note 20.3)	Capital reserve (Refer Note 20.2)	Securities premium	Share options outstanding account	Retained earnings				
As at March 31, 2022	**370.52**	**49.95**	**2,268.12**	**11.72**	**1,194.73**	**205.83**	**(90.22)**	**0.39**	**4,011.04**
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-
Restated balance As at April 1, 2022	**370.52**	**49.95**	**2,268.12**	**11.72**	**1,194.73**	**205.83**	**(90.22)**	**0.39**	**4,011.04**
Profit for the year	-	-	-	-	826.06	-	-	-	826.06
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(0.45)	-	90.22	8.86	98.63
Transferred From Share Option Outstanding on ESOPs Exercised	-	-	2.96	(2.96)	-	-	-	-	-
Securities Premium on ESOPs Exercised	-	-	4.36	-	-	-	-	-	4.36
Transferred to statutory reserves	165.21	-	-	-	(165.21)	-	-	-	-
Allotment of share as per the scheme of merger	-	-	203.15	-	-	(205.83)	-	-	(2.68)
Employee stock option compensation for the year	-	-	-	10.65	-	-	-	-	10.65
As at March 31, 2023	**535.73**	**49.95**	**2,478.59**	**19.41**	**1,855.13**	**-**	**-**	**9.25**	**4,948.06**
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-
Restated balance As at April 1, 2023	**535.73**	**49.95**	**2,478.59**	**19.41**	**1,855.13**	**-**	**-**	**9.25**	**4,948.06**
Profit for the year	-	-	-	-	1,445.93	-	-	-	1,445.93
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(0.80)	-	-	(13.89)	(14.69)
Transferred From Share Option Outstanding on ESOPs Exercised	-	-	4.95	(4.95)	-	-	-	-	-
Securities Premium on ESOPs Exercised	-	-	14.59	-	-	-	-	-	14.59
Transferred to statutory reserves	289.19	-	-	-	(289.19)	-	-	-	-
Employee stock option compensation for the year	-	-	-	16.71	-	-	-	-	16.71
As at March 31, 2024	**824.92**	**49.95**	**2,498.13**	**31.17**	**3,011.07**	**-**	**-**	**(4.64)**	**6,410.60**

The accompanying notes are an integral part of the Consolidated financial statements.

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

Place: Bengaluru
Date: May 07, 2024

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

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

George Joseph
Chairman and Lead Independent Director
DIN: 00253754

Ganesh Narayanan
Chief Executive Officer

S Balakrishna Kamath
Chief Financial Officer

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Place: Bengaluru
Date: May 07, 2024

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities:		
Profit before tax	1,939.18	1,105.42
Adjustments for:		
Interest income on loans	(4,812.55)	(3,277.41)
Interest on deposits with banks and financial institutions	(40.85)	(31.04)
Income from government securities	(46.71)	(18.62)
Depreciation and amortisation expenses	51.15	49.84
Finance costs	1,732.44	1,212.88
Impairment on financial instruments	451.77	401.02
Net gain on financial instruments at fair value through profit or loss (realised)	(34.51)	(21.33)
Gain on derecognition of loans designated at fair value through other comprehensive income	-	3.18
Gain on derecognition of loans designated at amortised cost	(91.94)	(122.25)
Share based payments to employees	16.71	10.65
Provision for other assets	0.61	0.31
	(2,773.88)	**(1,792.77)**
Operational cash flows from interest:		
Interest income received on loans	4,835.44	3,392.59
Finance costs paid	(1,719.97)	(1,213.20)
Working capital changes:		
(Increase) in loans	(6,536.31)	(4,673.63)
Decrease in other financial assets	119.53	87.65
(Increase) in other non-financial assets	(4.82)	(8.72)
(Decrease)/Increase in trade and other payables	(47.35)	44.68
(Decrease) in other financial liabilities	(0.17)	(2.07)
Increase in provisions	9.75	4.78
Increase in other non-financial liabilities	5.75	5.58
	(6,453.62)	**(4,541.73)**
Income tax paid (net of refunds)	**(560.93)**	**(240.09)**
Net cash flows (used in) operating activities (A)	**(4,733.78)**	**(3,289.78)**
Cash flow from investing activities:		
Purchase of property, plant and equipment	(11.85)	(13.72)
Proceeds from sale of property, plant and equipment	0.02	0.05
Purchase of Intangible assets and expenditure on Intangible assets under development	(8.46)	(3.60)
Interest on deposits with banks and financial institutions	34.93	36.28
(Increase) / decrease in bank balance other than cash and cash equivalents	(105.66)	80.59
Purchase of investments	(11,811.41)	(7,154.34)
Sale of investments	11,048.00	7,175.66
Purchase of government securities	(989.77)	(832.35)
Sale of government securities	809.08	385.01
Income from government securities	40.92	11.99
Net cash flows (used in) investing activities (B)	**(994.20)**	**(314.43)**
Cash flow from financing activities:		
Debt securities issued/(repaid) (net)	386.08	256.34
Borrowings other than debt securities issued (net)	5,169.45	3,123.33
Subordinated liabilities repaid (net)	(52.76)	(0.44)
Payment of lease liability (net)	(23.97)	(18.89)
Proceeds on exercise of employee stock options	15.06	4.73
Net cash flows from financing activities (C)	**5,493.86**	**3,365.07**
Net (decrease) in cash and cash equivalents (A+B+C)	**(234.12)**	**(239.14)**
Cash and cash equivalents as at the beginning of the year (Refer Note 4)	1,341.41	1,580.55
Cash and cash equivalents as at the end of the year (Refer Note 4)	1,107.29	1,341.41

The accompanying notes are an integral part of the consolidated financial statement.

In terms of our report attached

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Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

Place: Bengaluru
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For and on behalf of Board of Directors of
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Udaya Kumar Hebbar
Managing Director
DIN: 07235226

George Joseph
Chairman & Lead Independent Director
DIN: 00253754

Ganesh Narayanan
Chief Executive Officer

S Balakrishna Kamath
Chief Financial Officer

Place: Bengaluru
Date: May 07, 2024

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

Notes to the consolidated financial statements

for the year ended March 31, 2024

1. Corporate information

CreditAccess Grameen Limited (CIN- L51216KA 1991PLC053425) ('the Holding Company) is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Holding Company is registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and has got classified as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with effect from September 5, 2013. The Company's shares are listed on BSE Limited ('BSE') and National Stock Exchange of India Ltd ('NSE'). The Holding Company being a Non-banking financial Company (NBFC – MFI), is registered with the Reserve Bank of India (Certificate of Registration Number: B- 02.00252). The Registered office of the Holding Company is located at New No. 49 (Old No. 725), 46th Cross, 8th Block, Jayanagar, (Next to Rajalakshmi Kalyana Mantap) Bengaluru 560071, Karnataka, India.

The Holding Company and its subsidiaries (the 'Group') is engaged primarily in providing micro finance services to women and organized as Joint Liability Groups ('JLG') or Self Help Groups ('SHG'). In addition to the core business of providing micro-credit, the Group uses its distribution channel to provide certain other financial products and services to the members. The financial statements of the Group for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on May 07, 2024.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period. The consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crore, except when otherwise indicated. These Consolidated financial statements have been prepared on a going concern basis.

2.1. Presentation of Consolidated financial statements

The Group presents its balance sheet in order of liquidity.

The Group generally reports financial assets and financial liabilities on a gross basis in the balance sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

Details of Companies Consolidated in these consolidated financial statements:

Name of the Company	Type	Country of incorporation	Holding as at March 31, 2024	Holding as at March 31, 2023
CreditAccess Grameen Limited	Holding Company	India	Holding Company	Holding Company
CreditAccess India Foundation	Subsidiary Company	India	100%	100%

2.2. Presentation of Consolidated financial statements

The Group generally reports financial assets and financial liabilities on a gross basis in the balance sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

2.3. Critical accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the consolidated financial statements for e.g.:

- Business model assessment (Refer Note no. 3.13)
- Effective interest rate (EIR) (Refer Note no. 3.1.1 and 3.2)
- Impairment of financial assets (Refer Note no. 3.14)
- Provision for tax expenses (Refer note no. 3.10)
- Residual value and useful life of property, plant and equipment (Refer Note no. 3.3)
- Hedge accounting (Refer Note no. 3.18)

3. Material accounting policy information

This note provides a list of the material accounting policy information adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Revenue recognition

The Group's revenue primarily consists of interest income on loans, distribution income on the sale of other financial products and services to the members.

3.1.1 Interest income

Interest income for all financial instruments which are measured at amortised cost are recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument and includes any fees (such as processing fee) or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial assets cures and is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

3.1.2 Fair value gain

The Group recognises gains on fair value change of financial assets measured at fair value through profit and loss (FVTPL) and realised gains on derecognition of financial asset measured at fair value through profit and loss (FVTPL) on net basis.

3.1.3 The Group also distributes insurance policies during the course of lending business. Distribution income is earned by selling such products of other entities under distribution arrangements. The income so earned is recognised on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

3.1.4 Income from assignment transactions

The Group considers direct Assignment or transfer of loan assets as one of the alternative mode or source of fund raising. Direct assignment policy restricts the direct assignment transaction outstanding i.e. sold balance outstanding, to be within 10% of projected Asset Under Management ('AUM'). Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised.

3.2 Finance cost

Borrowing cost on financial liabilities including towards securitisation transactions not derecognised by the Group are recognised by applying the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial liability. The calculation takes into account all contractual terms of the financial instrument and includes any fees (such as processing fee, duty etc) and such other incremental costs that are directly attributable and are an integral part of the EIR.

3.3 Property, plant and equipment ('PPE')

Initial Recognition and measurement:

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

3.5 Depreciation and amortization

3.5.1 Depreciation

Depreciation on property, plant and equipment is measured using the straight line method as per the useful lives of the assets estimated by the management. The useful life estimated by the management is as under:

Category of Asset	Useful life (Years)
Furniture and fittings	10
Office equipments	05
Vehicles	08
Buildings	30
Electrical equipments	10
Computers (Including Servers)	03

Leasehold improvement is amortised on a straight line basis over the primary period of lease.

The management has estimated the useful life of servers and two-wheeler vehicles as 3 years and 8 years respectively, which are lower than those prescribed under Schedule II to the Act.

Property, plant and equipment costing less than ₹ 5000 per unit are fully depreciated in the year of purchase.

3.5.2 Amortisation of intangible assets

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The management has determined its estimate of useful economic life of computer software as five years. Customer relationship is amortised over a period of 10 years. The useful lives of intangible assets are reviewed at each financial year and adjusted if there are any such requirement.

3.5.3 Impairment of Goodwill

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

In the case of Group, since both Holding Company & erstwhile subsidiary were in similar business, entire business has been treated as one Cash Generating Unit (CGU). As required under the standard, this is the lowest level at which the goodwill is monitored for internal management purposes. In view of this, Group as a whole is valued as one CGU for the purpose of assessing the impairment of goodwill.

3.6 Impairment of non–financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.7 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.8 Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised. A contingent asset is disclosed, where an inflow of economic benefits is probable.

3.9 Employee benefits

The Group provides short term employee benefits i.e. expected to be settled wholly before twelve months after the end of the annual reporting period (such as salaries, wages, bonus etc), defined benefit plan (gratuity), retirement benefits (such as provident fund) and other employee benefits including employee stock options and other long term employee benefits.

3.9.1 Defined contribution plan

Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Group has no obligation, other than the contribution payable to the respective funds. The Group recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

3.9.2 Defined benefit plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Gains or losses through remeasurements of net benefit liabilities/ assets are recognised with corresponding charge/credit to the retained earnings through other comprehensive income in the period in which they occur.

3.9.3 Other employee benefits

The Group treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

3.9.4 Share based payments

Equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 38.

The cost of equity-settled transactions is measured using the fair value method and recognised, together with a corresponding increase in the "Share options outstanding account" in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

3.10 Taxes

3.10.1 Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

3.10.2 Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.11 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.12 Segment information

The Group operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Group operates in a single geographical segment i.e. domestic.

3.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.13.1 Financial Assets

Financial asset of the Group consists predominantly loan assets, liquidity maintained by Group during the course of business in the form of Cash and bank balances, investments and other receivables such as receivable from assignment of portfolio, security deposits etc.

3.13.1.1 Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

3.13.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- at amortised cost
- at fair value through other comprehensive income (FVTOCI)
- Investments in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

3.13.1.3 Loans at amortised costs

Loans are measured at the amortised cost if both the following conditions are met:

(a) Such loan is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account fees (such as processing fee) or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.13.1.4 Loans at fair value through other comprehensive income (FVTOCI)

Loans are classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Loans included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is recognised as interest income using the EIR method.

3.13.1.5 Investment in debt instruments and equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

3.13.1.6 Cash and cash equivalents

Cash and cash equivalents, comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less, that are readily convertible to cash with an insignificant risk of changes in value.

3.13.1.7 Investments

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income (FVTOCI). All other investments are classified and measured as FVTPL only.

3.13.2 Financial Liabilities

3.13.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as such on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

3.13.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.13.3 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line.

3.13.4 De-recognition of financial assets and liabilities

3.13.4.1 De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Group also de-recognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Group has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:

- The Group has transferred substantially all the risks and rewards of the asset

or

- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss account.

3.13.4.2 De-recognition of financial liabilities

Financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.14 Impairment of financial assets

3.14.1 Overview of the Expected Credit Loss (ECL) allowance principles

The Group is recording the allowance for expected credit losses for all loans at amortised cost and FVOCI and other debt financial assets not held at FVTPL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The Group's policies for determining if there has been a significant increase in credit risk are set out in Note 41.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis for identified homogenous pool of loans. The Group's policy for grouping financial assets measured on a collective basis is explained in Note 41.

Accordingly, the Group groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs.

Stage 3: Loans considered credit-impaired (as outlined in Note 41). The Group records an allowance for the LTECLs.

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) de-recognition of the financial asset..

3.14.2 The calculation of ECL

The Group calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

ECL consists of three key components: Probability of Default (PD), Exposure at Default (EAD) and Loss given default (LGD). ECL is calculated by multiplying them. Refer Note 41 for explanation of the relevant terms.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Group recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%..

3.15 Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement profit and loss.

3.16 Fair value measurement

The Group measures certain financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured are categorised with fair value hierachy into Level I, Level II and Level III based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

3.17 Foreign currency

Group enters to foreign currency transactions during the course of business predominantly relating to borrowing (availement/repayment of borrowing) and payment of fee/charges towards services/products such as license costs, maintenance charges etc.

3.17.1 All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

3.17.2 Foreign currency monetary items are reported using the exchange rate prevailing at the close of the period.

3.17.3 Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

3.18 Hedge accounting

The Group enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Group does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

Here, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'.

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item.

The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability..

3.19 Leases (where the Group is the lessee)

Group's lease assets primarily consists of equipments for information technology infrastructure/ servers and immovable properties for operating as branches.

Short term leases not covered under Ind AS 116 are classified as operating lease. Lease payments during the year are charged to statement of profit and loss. Future minimum rentals payable under non-cancellable operating leases.

The Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset; (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

3.20 Recent Accounting pronouncements

3.20.1 Key New and amended standards adopted by the Group

(a) Ind AS 101 – First time adoption of Ind AS – Deferred tax assets and deferred tax liabilities to be recognized for all temporary differences associated with ROU assets, lease liabilities, decommissioning / restoration / similar liabilities.

(b) Ind AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting – Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

(c) Ind AS 107 – Financial Instruments: Disclosures – Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

(d) Ind AS 8 – Accounting policies, changes in accounting estimate and errors- – Clarification on what constitutes an accounting estimate provided.

(e) Ind AS 12 – Income Taxes – In case of a transaction which give rise to equal taxable and deductible temporary differences, the initial recognition exemption from deferred tax is no longer applicable and deferred tax liability & deferred tax asset shall be recognized on gross basis for such cases.

None of these amendments had any significant effect on the Group's financial statements, except for disclosure of material accounting policy information instead of significant accounting policies in the consolidated financial statements.

3.20.2 Key Amendments applicable from next Financial year

For the year ended March 31,2024, the Ministry of Corporate Affairs has not notified any new standards or amendments to the existing standards applicable to the Group.

4 Cash and cash equivalents

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Cash on hand	2.75	12.43
Balances with banks in current accounts	279.63	211.02
Bank deposit with maturity of less than 3 months	824.91	1,117.96
Total	**1,107.29**	**1,341.41**

5 Bank balance other than cash and cash equivalents

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Fixed deposit with bank not considered as cash and cash equivalents*	206.62	95.02
Total	**206.62**	**95.02**

* Balances with banks to the extent held as margin money or security against the borrowings.

6 Derivative financial instruments

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Part I		
(i) Cross currency interest rate swap derivatives: #		
Fair value Assets		
Cross currency interest rate swaps	36.55	31.63
Total	**36.55**	**31.63**
Part II		
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:		
(i) Cash flow hedging:		
Fair value Assets		
Cross currency interest rate swaps	36.55	31.63
Total	**36.55**	**31.63**

Notional amounts of Cross currency interest rate swaps of ₹3,612.86 crore (March 31, 2023 : ₹ 1,575.32 crore).

7 Loans $

₹ in crore

Particulars	March 31, 2024			March 31, 2023		
	Amortised cost	At fair value through OCI	Total	Amortised cost	At fair value through OCI#	Total
(A) Term loans:						
Group lending **	24,906.24	-	24,906.24	19,224.27	-	19,224.27
Individual loans	702.16	-	702.16	166.92	-	166.92
Total - Gross	**25,608.40**	**-**	**25,608.40**	**19,391.19**	**-**	**19,391.19**
Less: Impairment loss allowance	503.41	-	503.41	347.85	-	347.85
Total - Net*	**25,104.99**	**-**	**25,104.99**	**19,043.34**	**-**	**19,043.34**
(B) (a) Secured by tangible assets	196.64	-	196.64	60.21	-	60.21
(b) Unsecured	25,411.77	-	25,411.76	19,330.98	-	19,330.98
Total - Gross	**25,608.40**	**-**	**25,608.40**	**19,391.19**	**-**	**19,391.19**
Less: Impairment loss allowance	503.41	-	503.41	347.85	-	347.85
Total - Net*	**25,104.99**	**-**	**25,104.99**	**19,043.34**	**-**	**19,043.34**
(C) (I) Loans in India						
(a) Public sector	-	-	-	-	-	-
(b) Others	25,608.40	-	25,608.40	19,391.19	-	19,391.19
Total - Gross	**25,608.40**	**-**	**25,608.40**	**19,391.19**	**-**	**19,391.19**
Less: Impairment loss allowance	503.41	-	503.41	347.85	-	347.85
Total - Net*	**25,104.99**	**-**	**25,104.99**	**19,043.34**	**-**	**19,043.34**
(D) (II) Loans outside India	**-**	**-**	**-**	**-**	**-**	**-**
Less: Impairment loss allowance	-	-	-	-	-	-
Total - Net*	**-**	**-**	**-**	**-**	**-**	**-**

** Group Lending includes both Joint Liability Loans and Self Help Group Loans including securitized assets.

During the year, the Group had reassessed its business model and concluded that Income Generating Loans (IGL) are primarily intended to collect contractual cash flows being solely payments of principal and interest on the principal amount outstanding. Accordingly, as required under Ind AS 109, IGL loans portfolio which were earlier classified as and valued at "Fair Value through other Comprehensive Income" have been classified as and valued at "Amortised cost" with effect from July 01, 2022. Consequently, the Group has reversed accumulated fair value loss of ₹ 84.14 crores on such IGL loans and related deferred tax of ₹ 21.18 crores in other equity on July 01, 2022.

$ The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013),either severally or jointly with any other person that are - (a) repayable on demand or (b) without specifying any terms or period of repayment.

7(A) Group lending loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Group lending loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2023	**18,951.34**	**42.88**	**230.05**	**19,224.27**
(a) New assets originated or purchased	22,333.33	-	-	22,333.33
(b) Asset derecognised or repaid (Excluding write offs) #	(16,290.44)	(30.26)	(40.23)	(16,360.93)
Assets written off during the year	-	-	(290.43)	(290.43)
Movement between stages				
Transfer from Stage 1	(496.68)	286.37	210.31	-
Transfer from Stage 2	7.88	(203.60)	195.72	-
Transfer from Stage 3	2.94	0.41	(3.35)	-
Gross carrying value of assets as at March 31, 2024	**24,508.37**	**95.80**	**302.07**	**24,906.24**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2023	**154.04**	**20.69**	**163.62**	**338.36**
(a) New assets originated or purchased	200.80	-	-	200.80
(b) Asset derecognised or repaid (Excluding write offs) #	(139.75)	(15.48)	(27.94)	(183.18)
Assets written off during the year	-	-	(290.43)	(290.43)
Movement between stages				
Transfer from Stage 1	(4.62)	2.64	1.98	-
Transfer from Stage 2	4.36	(110.76)	106.40	-
Transfer from Stage 3	2.08	0.28	(2.36)	-
Impact on ECL on account of movement between stages	3.46	156.33	263.06	422.85
ECL allowance as at March 31, 2024	**220.37**	**53.70**	**214.33**	**488.40**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2022	**14,402.74**	**180.67**	**518.97**	**15,102.38**
(a) New assets originated or purchased	18,281.23	-	-	18,281.23
(b) Asset derecognised or repaid (Excluding write offs) #	(13,443.55)	(75.29)	(91.55)	(13,610.39)
Assets written off during the year	-	-	(548.95)	(548.95)
Movement between stages				
Transfer from Stage 1	(371.14)	179.19	191.95	-
Transfer from Stage 2	50.95	(243.85)	192.90	-
Transfer from Stage 3	31.11	2.16	(33.27)	-
Gross carrying value of assets as at March 31, 2023	**18,951.34**	**42.88**	**230.05**	**19,224.27**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2022	**113.60**	**53.39**	**324.55**	**491.54**
(a) New assets originated or purchased	148.42	-	-	148.42
(b) Asset derecognised or repaid (Excluding write offs) #	(107.72)	(29.20)	(61.46)	(198.38)
Assets written off during the year	-	-	(548.95)	(548.95)
Movement between stages				
Transfer from Stage 1	(3.20)	1.47	1.73	-
Transfer from Stage 2	26.82	(122.69)	95.86	-
Transfer from Stage 3	22.51	1.55	(24.06)	-
Impact on ECL on account of movement between stages	(46.39)	116.17	375.95	445.73
ECL allowance as at March 31, 2023	**154.04**	**20.69**	**163.62**	**338.36**

Represents balancing figure.

7(B) Individual lending

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Individual lending loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2023	**159.94**	**0.64**	**6.34**	**166.92**
(a) New assets originated or purchased	655.00	-	-	655.00
(b) Asset derecognised or repaid (Excluding write offs) #	(112.33)	(0.44)	(1.22)	(113.99)
Assets written off during the year	-	-	(5.77)	(5.77)
Movement between stages				
Transfer from Stage 1	(1.70)	1.44	0.26	-
Transfer from Stage 2	0.16	(1.15)	0.99	-
Transfer from Stage 3	0.03	-	(0.03)	-
Gross carrying value of assets as at March 31, 2024	**701.10**	**0.49**	**0.57**	**702.16**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2023	**3.23**	**0.33**	**5.93**	**9.49**
(a) New assets originated or purchased	13.29	-	-	13.29
(b) Asset derecognised or repaid (Excluding write offs) #	(2.28)	(0.22)	(1.13)	(3.63)
Assets written off during the year	-	-	(5.77)	(5.77)
Movement between stages				
Transfer from Stage 1	(0.04)	0.03	0.01	-
Transfer from Stage 2	0.07	(0.57)	0.50	-
Transfer from Stage 3	0.03	-	(0.03)	-
Impact on ECL on account of movement between stages	(0.09)	0.69	1.03	1.63
ECL allowance as at March 31, 2024	**14.21**	**0.26**	**0.54**	**15.01**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at March 31, 2022	**151.99**	**5.14**	**39.68**	**196.81**
(a) New assets originated or purchased	143.06	-	-	143.06
(b) Asset derecognised or repaid (Excluding write offs) #	(126.90)	(1.79)	(6.24)	(134.93)
Assets written off during the year	-	-	(38.02)	(38.02)
Movement between stages				
Transfer from Stage 1	(8.72)	6.27	2.45	-
Transfer from Stage 2	0.20	(9.19)	8.99	-
Transfer from Stage 3	0.31	0.21	(0.52)	-
Gross carrying value of assets as at March 31, 2023	**159.94**	**0.64**	**6.34**	**166.92**

Represents balancing figure.

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 31, 2022	**3.04**	**2.53**	**36.75**	**42.32**
(a) New assets originated or purchased	2.91	-	-	2.91
(b) Asset derecognised or repaid (Excluding write offs) #	(2.57)	(0.89)	(5.80)	(9.26)
Assets written off during the year	-	-	(38.02)	(38.02)
Movement between stages				
Transfer from Stage 1	(0.18)	0.13	0.05	-
Transfer from Stage 2	0.10	(4.60)	4.50	-
Transfer from Stage 3	0.29	0.20	(0.49)	-
Impact on ECL on account of movement between stages	(0.36)	2.96	8.94	11.54
ECL allowance as at March 31, 2023	**3.23**	**0.33**	**5.93**	**9.49**

Represents balancing figure.

8 Investments*

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Investments in fully paid equity shares		
(i) At fair value through profit and loss		
(a) Alpha Microfinance Consultants Private Ltd (Unquoted fully paid equity shares)	0.54	0.54
(b) Mutual funds (quoted)	797.91	-
(ii) At amortised cost		
(a) Investment in Government Securities (quoted)	640.45	453.98
Total	**1,438.90**	**454.52**

* All Investment in Note 8 above are within India.

Madura Micro Education Private Limited ("MMEPL") (One of the erstwhile 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.

9 Other financial assets

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Receivable from assignment of portfolio (unsecured, considered good)	64.72	104.44
Security deposits (unsecured, considered good)*	15.32	14.13
Loans and advances to employees (unsecured, considered good)	13.80	14.42
Other financial assets		
Unsecured, considered good	27.55	16.60
Unsecured, considered doubtful	1.06	0.50
Less: Provision for doubtful advances	(1.06)	(0.50)
Total	**121.39**	**149.59**

* Includes an amount of ₹ 0.06 crore (Previous year ₹ 0.06 crore) paid under protest towards PF Notice (Refer Note.34)

10 Other non-financial assets

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Prepaid expenses	18.60	13.14
Advances to employees	0.03	0.03
Capital Advance	0.30	-
Other advances		
Unsecured, considered good	5.32	5.96
Unsecured, considered doubtful	1.87	2.28
Less: Provision for doubtful advances	(1.87)	(2.28)
Total	**24.25**	**19.13**

11(A)

₹ in crore

Particulars	Property, plant and equipment									Right of use assets			Other Intangible assets		
	Computer	Electrical Equipment	Furniture & Fixtures	Leasehold Improvement	Office equipment	Vehicles	Freehold land	Buildings	Total	Buildings	Computer	Total	Computer software	Customer relationship	Total
Cost:															
At March 31, 2022	**21.26**	**1.08**	**13.70**	**9.92**	**23.20**	**0.88**	**5.81**	**0.21**	**76.06**	**24.25**	**81.79**	**106.04**	**38.97**	**162.82**	**201.79**
Additions	5.25	0.20	2.65	0.67	4.71	0.29	-	-	**13.77**	4.97	-	**4.97**	2.74	-	**2.74**
Disposals	(0.02)	(0.02)	(0.05)	-	(0.96)	(0.20)	-	-	**(1.25)**	-	(1.61)	**(1.61)**	(0.66)	-	**(0.66)**
At March 31, 2023	**26.49**	**1.26**	**16.30**	**10.59**	**26.95**	**0.97**	**5.81**	**0.21**	**88.58**	**29.22**	**80.18**	**109.40**	**41.05**	**162.82**	**203.87**
Additions	3.54	0.00	3.27	0.15	4.82	-	-	-	**11.78**	8.48	33.30	**41.78**	7.77	-	**7.77**
Disposals	(1.29)	(0.02)	(0.08)	-	(1.09)	-	-	-	**(2.48)**	(7.39)	(2.34)	**(9.73)**	(0.52)	-	**(0.52)**
At March 31, 2024	**28.74**	**1.24**	**19.49**	**10.74**	**30.68**	**0.97**	**5.81**	**0.21**	**97.88**	**30.31**	**111.14**	**141.45**	**48.30**	**162.82**	**211.12**
Depreciation/Amortisation:															
At March 31, 2022	**15.40**	**0.90**	**8.08**	**6.68**	**12.63**	**0.55**	**-**	**0.02**	**44.25**	**11.89**	**19.39**	**31.28**	**21.82**	**33.32**	**55.14**
Depreciation/Amortisation charge for the year	3.99	0.24	1.56	1.34	6.14	0.10	-	0.01	**13.38**	4.35	9.24	**13.59**	6.45	16.42	**22.87**
Disposals	(0.02)	(0.01)	(0.05)	-	(0.85)	(0.20)	-	-	**(1.13)**	-	(0.22)	**(0.22)**	(0.66)	-	**(0.66)**
At March 31, 2023	**19.37**	**1.13**	**9.59**	**8.02**	**17.92**	**0.45**	**-**	**0.03**	**56.50**	**16.24**	**28.41**	**44.65**	**27.61**	**49.74**	**77.35**
Depreciation/Amortisation charge for the year	4.28	0.04	1.96	0.87	4.39	0.10	-	0.01	**11.65**	5.18	12.08	**17.26**	6.18	16.06	**22.24**
Disposals	(1.28)	(0.02)	(0.07)	-	(0.98)	-	-	-	**(2.35)**	(7.39)	(2.34)	**(9.73)**	(0.52)	-	**(0.52)**
At March 31, 2024	**22.37**	**1.15**	**11.48**	**8.89**	**21.33**	**0.55**	**-**	**0.04**	**65.80**	**14.03**	**38.15**	**52.18**	**33.27**	**65.80**	**99.07**
Net book value:															
At March 31, 2022	**5.86**	**0.18**	**5.62**	**3.24**	**10.57**	**0.33**	**5.81**	**0.19**	**31.80**	**12.36**	**62.41**	**74.76**	**17.15**	**129.50**	**146.65**
At March 31, 2023	**7.12**	**0.13**	**6.71**	**2.57**	**9.03**	**0.52**	**5.81**	**0.18**	**32.08**	**12.98**	**51.77**	**64.75**	**13.44**	**113.08**	**126.52**
At March 31, 2024	**6.37**	**0.09**	**8.01**	**1.85**	**9.35**	**0.42**	**5.81**	**0.17**	**32.08**	**16.28**	**72.99**	**89.27**	**15.03**	**97.02**	**112.05**

Note:

(i) There were no change due to revaluation and changes due to impairment losses in current and previous years.

(ii) There are no immovable properties whose title deed are not held in name of the Group or are jointly held with others.

11(B) (i) Intangible assets under development*

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Opening	**3.94**	**3.07**
Additions during the year	7.17	2.86
Less: Capitalised during the year	(6.57)	(1.99)
Closing	**4.54**	**3.94**

* Computer software.

(ii) Intangible assets under development*

₹ in crore

Particulars	March 31, 2024				March 31, 2023			
	Amount in Intangible assets under development for a period of				Amount in Intangible assets under development for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**3.98**	**0.56**	**-**	**-**	**1.89**	**2.05**	**-**	**-**

* There was no Project which was temporarily suspended as at March 31, 2024 and March 31, 2023.

12 Payables

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (refer Note below)	-	0.10
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	36.52	43.95
Total	**36.52**	**44.05**
Other payables		
(i) Total outstanding dues of micro enterprises and small enterprises (refer Note below)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	219.83	259.65
Total	**219.83**	**259.65**
Total Payable	**256.35**	**303.70**

Note:

(A) Dues to micro enterprises and small enterprises:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	0.10
(ii) the amount of interest paid by the Group in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	0.00
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	0.00
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

(B) Trade Payables ageing schedule*

₹ in crore

Particulars	Outstanding for following periods from due dateof payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	March 31, 2024				
(i) Micro enterprises and small enterprises	-	-	-	-	-
(ii) Others	36.52	-	-	-	36.52
	March 31, 2023				
(i) Micro enterprises and small enterprises	0.10	-	-	-	0.10
(ii) Others	43.95	-	-	-	43.95

* There were no disputed payable as at March 31, 2024 and March 31, 2023.

13 Debt securities (at amortised cost)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Debentures (secured)	2,042.12	1,672.35
Debentures (unsecured)	-	-
Total	**2,042.12**	**1,672.35**
Debt securities in India	2,042.12	1,672.35
Debt securities outside India	-	-
Total	**2,042.12**	**1,672.35**

Nature of security

The above debentures are secured by the way of first and exclusive charge over eligible specified book debts of the Group.

Debentures (secured) (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount (₹ in crore)	
	March 31, 2024	March 31, 2023		March 31, 2024	March 31, 2023
9.70% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Five years from the date of allotment i.e. September 7, 2023.	2,532,310	-	1,000	251.71	-
10.13% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Five years from the date of allotment i.e. September 7, 2023.	177,953	-	1,000	18.56	-
10.00% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after five years from the date of allotment i.e. November 23, 2022.	554,955	554,955	1,000	54.88	54.64
10.46% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after five years from the date of allotment i.e. November 23, 2022.	82,444	82,444	1,000	9.34	8.37
9.40% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Four years Two months from the date of allotment i.e. September 7, 2023.	53,530	-	1,000	5.32	-
9.81% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Four years Two months from the date of allotment i.e. September 7, 2023.	17,691	-	1,000	1.84	-
10.15% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after four years from the date of allotment i.e. November 18, 2022.	2,400	2,400	1,000,000	247.14	246.50
9.25% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Two years Nine months from the date of allotment i.e. September 7, 2023	3,394,835	-	1,000	337.77	-
9.64% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Two years Nine months from the date of allotment i.e. September 7, 2023.	177,658	-	1,000	18.51	-

Debentures (secured) (at amortised cost)

9.60% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after three years from the date of allotment i.e. November 23, 2022.	2,124,936	2,124,936	1,000	210.80	209.40
10.02% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after three years from the date of allotment i.e. November 23, 2022.	133,912	133,912	1,000	15.09	13.62
9.10% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Two years from the date of allotment i.e. September 7, 2023.	3,225,661	-	1,000	321.17	-
9.48% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after Two years from the date of allotment i.e. September 7, 2023	316,156	-	1,000	32.95	-
9.70% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. March 11, 2022.	552	552	1,000,000	55.16	55.13
8.45% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after two years and three months from the date of allotment i.e. September 27, 2022.	600	600	1,000,000	67.19	61.86
9.45% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after two years from the date of allotment i.e. November 23, 2022.	1,853,133	1,853,133	1,000	184.58	182.81
9.83% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000 each redeemable after two years from the date of allotment i.e. November 23, 2022.	250,620	250,620	1,000	28.29	25.50
9.50% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after five years from the date of allotment i.e. November 8, 2019.	1,070	2,140	1,000,000	110.82	221.07

Debentures (secured) (at amortised cost)

9.90% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years and fifteen days from the date of allotment i.e. April 30, 2021.	710	710	1,000,000	71.00	70.96
10.50% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after thirty four months from the date of allotment i.e. June 29, 2020.	-	240	1,000,000	-	24.27
9.81% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. July 31, 2020.	-	84	1,000,000	-	8.46
10.00% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. June 26, 2020.	-	500	1,000,000	-	53.74
10.05% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. July 3, 2020.	-	300	1,000,000	-	32.20
9.95% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after thirty four months from the date of allotment i.e. July 27, 2020.	-	1,000	1,000,000	-	106.72
12.61% (March 31, 2023 : 10.42%) Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after three years from the date of allotment i.e. March 31, 2021.	-	1,450	1,000,000	-	144.96
8.56% Secured Redeemable Market Linked Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable after two years and five days from the date of allotment i.e. August 31, 2021.	-	1,000	1,000,000	-	113

Debentures (secured) (at amortised cost)

11.68% Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable at par at the end of six years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. September 28, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	-	195	1,000,000	-	20
13.88% (March 31, 2023: 11.48%) Secured Redeemable Non-convertible Debentures of face value of ₹ 1,000,000 each redeemable at par at the end of six years (subject to exercise of put option by the lender at the end of three years) from the date of allotment i.e. September 28, 2017. Redeemable on maturity if option not excercised or communication for roll-over received from lender.	-	195	1,000,000	-	20
Total	**14,901,126**	**5,011,366**		**2,042.12**	**1,672.35**

Note: The rates mentioned above are the original coupons rates as per the individual contracts.

14 Borrowings (other than debt securities) (at amortised cost)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Term loans (secured)		
Banks	13,004.99	10,740.33
Financials institutions	2,417.36	1,525.75
Non-banking financial companies	642.24	597.47
External commercial borrowings	3,558.78	1,473.77
Term loans (unsecured)		
External commercial borrowings	128.07	125.88
Non banking financial companies	-	-
Collateralised borrowings from Banks (Refer Note 33) (arising on account of securitisation)	22.21	98.80
Total	**19,773.65**	**14,562.00**
Borrowings in India	16,086.80	12,962.35
Borrowings outside India	3,686.85	1,599.65
Total	**19,773.65**	**14,562.00**

Note:

(1) The term loans are covered by unsecured microfinance loans to the extent of minimum 100% of outstanding. Further in respect of borrowings (including Debentures) drawn during last quarter of FY 2023-24 aggregating to ₹ 2,113.47 crore (during last quarter of Previous year ₹ 1,694.44 crore), the Group is in the process of assigning the book debts in due course as per the sanction terms. The borrowings have not been guaranteed by directors or others.

(2) Term loans availed during the year were applied for the purposes for which the loans were obtained, other than temporary deployment pending application.

14.1 Delay in repayment

There were no delay in repayment of borrowings as at March 31, 2024 and March 31, 2023..

15 Subordinated liabilities (at amortised cost)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Unsecured:		
Term Loan	25.24	25.26
Debentures	-	52.65
Total	**25.24**	**77.91**
Subordinated Liabilities in India	25.24	77.91
Subordinated Liabilities outside India	-	-
Total	**25.24**	**77.91**

Terms of repayment of borrowings as on March 31, 2024

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
				No. of in-stallments	Amount (in Rupees)	No. of in-stallments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	
Debentures	Half Yearly	Above 3 years	9.5%-10%	2	107.00	-	-	-	-	-	-	-	-	-	-	107.00
	Bullet	1-3 years	8%-8.5%	1	60.00	-	-	-	-	-	-	-	-	-	-	60.00
			9%-9.5%	1	185.31	2	354.18	1	339.48	-	-	-	-	-	-	878.97
			9.5%-10%	2	80.26	1	212.49	1	17.77	-	-	-	-	-	-	310.52
			10%-10.5%	-	-	1	13.39	-	-	-	-	-	-	-	-	13.39
		Above 3 years	9%-9.5%	-	-	-	-	-	-	1	5.35	-	-	-	-	5.35
			9.5%-10%	1	71.00	-	-	-	-	1	1.77	1	253.23	-	-	326.00
			10%-10.5%	-	-	-	-	-	-	2	63.74	1	17.80	-	-	81.54
	Annually	Above 3 years	10%-10.5%	-	-	1	48.00	1	192.00	-	-	-	-	-	-	240.00
Term loan banks	Monthly	1-3 years	8.5%-9%	107	676.92	58	187.08	5	22.22	-	-	-	-	-	-	886.22
			9%-9.5%	746	3,258.51	415	2,141.86	102	487.74	-	-	-	-	-	-	5,888.11
			9.5%-10%	546	1,829.70	231	703.70	45	108.27	-	-	-	-	-	-	2,641.67
			10%-10.5%	100	167.97	-	-	-	-	-	-	-	-	-	-	167.97
			10.5%-11%	18	14.08	-	-	-	-	-	-	-	-	-	-	14.08
			11%-11.5%	2	6.25	-	-	-	-	-	-	-	-	-	-	6.25
			11.5%-12%	8	11.44	-	-	-	-	-	-	-	-	-	-	11.44
		Above 3 years	8.5%-9%	26	110.28	12	90.91	9	68.18	-	-	-	-	-	-	269.37
			9%-9.5%	81	537.08	81	544.09	48	275.59	-	-	-	-	-	-	1,356.76
			9.5%-10%	23	38.33	3	2.50	-	-	-	-	-	-	-	-	40.83
			10%-10.5%	24	18.18	6	4.55	-	-	-	-	-	-	-	-	22.73
			10.5%-11%	12	1.21	12	1.35	6	0.77	-	-	-	-	-	-	3.33
	Quarterly	1-3 years	8.5%-9%	13	115.86	4	2.00	1	0.50	-	-	-	-	-	-	118.36
			9%-9.5%	25	286.15	17	224.86	8	48.50	-	-	-	-	-	-	559.51
			9.5%-10.0%	21	220.91	9	104.35	3	30.00	-	-	-	-	-	-	355.26
			10.0%-10.5%	33	112.78	4	18.18	-	-	-	-	-	-	-	-	130.96
			10.5%-11%	9	65.78	-	-	-	-	-	-	-	-	-	-	65.78
		Above 3 years	8%-8.5%	3	15.00	-	-	-	-	-	-	-	-	-	-	15.00
			8.5%-9%	4	8.00	4	8.00	1	2.00	-	-	-	-	-	-	18.00
			9%-9.5%	11	96.97	4	33.33	4	33.33	-	-	-	-	-	-	163.63
			9.5%-10%	4	10.00	1	2.50	-	-	-	-	-	-	-	-	12.50
	Half Yearly	1-3 years	9.5%-10.0%	2	75.00	2	75.00	-	-	-	-	-	-	-	-	150.00
	Bullet	1-3 years	8.5%-9.0%	1	12.50	-	-	-	-	-	-	-	-	-	-	12.50
			9.0%-9.5%	-	-	1	100.00	-	-	-	-	-	-	-	-	100.00

Terms of repayment of borrowings as on March 31, 2024

₹ in crore

Term loan from financial institutions	Monthly	1-3 years	9.0%-9.5%	36	204.16	33	187.45	-	-	-	-	-	-	-	-	391.61
			9.5%-10.0%	32	389.96	36	435.96	22	260.75	-	-	-	-	-	-	1,086.67
			12.0%-12.5%	18	26.67	-	-	-	-	-	-	-	-	-	-	26.67
	Quarterly	1-3 years	7.0%-7.5%	4	100.00	3	75.00	-	-	-	-	-	-	-	-	175.00
			9.0%-9.5%	4	72.72	4	72.72	1	18.20	-	-	-	-	-	-	163.64
		Above 3 years	9.5%-10.0%	12	99.00	12	55.20	5	32.60	-	-	-	-	-	-	186.80
			11.5%-12.0%	3	1.50	-	-	-	-	-	-	-	-	-	-	1.50
	Half Yearly	Above 3 years	11.5%-12%	6	180.00	-	-	-	-	-	-	-	-	-	-	180.00
	Bullet	1-3 years	7.5%-8.0%	-	-	-	-	1	200.00	-	-	-	-	-	-	200.00
Term loan from non-banking financial companies	Monthly	1-3 years	9%-9.5%	22	76.00	24	82.29	16	59.43	-	-	-	-	-	-	217.72
			9.5%-10%	54	99.99	37	74.39	-	-	-	-	-	-	-	-	174.38
			10%-10.5%	12	5.14	3	1.71	-	-	-	-	-	-	-	-	6.85
			10.5%-11%	13	41.05	-	-	-	-	-	-	-	-	-	-	41.05
		Above 3 years	10.5%-11%	6	12.12	-	-	-	-	-	-	-	-	-	-	12.12
			11%-11.5%	23	16.80	-	-	-	-	-	-	-	-	-	-	16.80
	Quarterly	1-3 years	9%-9.5%	4	8.33	-	-	-	-	-	-	-	-	-	-	8.33
			10.5%-11%	2	5.00	-	-	-	-	-	-	-	-	-	-	5.00
		Above 3 years	9.5%-10.0%	7	31.67	8	38.33	8	38.33	1	6.67	-	-	-	-	115.00
			10.0%-10.5%	3	16.25	4	21.67	1	5.42	-	-	-	-	-	-	43.34
External commercial borrowings	Quarterly	Above 3 years	7.5%-8.0%	-	-	3	6.24	4	8.32	4	8.32	4	8.32	5	10.40	41.60
			8.0%-8.5%	-	-	3	36.86	4	49.15	4	49.15	4	49.15	5	61.43	245.74
	Half Yearly	Above 3 years	9.0%-9.5%	1	32.70	2	65.39	2	65.39	-	-	-	-	-	-	163.48
			9.5%-10.0%	2	115.47	4	230.94	4	230.94	-	-	-	-	-	-	577.35
			10.0%-10.5%	2	44.70	2	44.70	3	104.57	2	82.22	-	-	-	-	276.19
	Yearly	Above 3 years	10.5%-11.0%	-	-	1	38.79	1	38.79	1	77.58	-	-	-	-	155.16
	Bullet	1-3 years	9.5%-10.0%	-	-	1	199.38	-	-	-	-	-	-	-	-	199.38
			10.0%-10.5%	-	-	1	203.75	-	-	-	-	-	-	-	-	203.75
		Above 3 years	10.0%-10.5%	-	-	-	-	2	1,235.85	-	-	1	83.18	1	98.47	1,417.50
			11.0%-11.5%	-	-	-	-	1	332.72	-	-	-	-	-	-	332.72
Sub-debt	Bullet	Above 3 years	14.5%-15%	-	-	1	12.50	1	12.50	-	-	-	-	-	-	25.00
Securitisation	Monthly	1-3 years	8.5% - 9.0%	5	22.21	-	-	-	-	-	-	-	-	-	-	22.21
Grand Total				2,097.00	9,793.91	1,051.00	6,755.59	311.00	4,319.31	16.00	294.80	11.00	411.68	11.00	170.30	21,745.59

Note: The above amount pertains to the principal outstanding only.

Terms of repayment of borrowings as on March 31, 2023

₹ in crore

Type of instrument / institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
				No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	No. of install-ments	Amount (in Rupees)	
Debentures	Half Yearly	1-3 years	10.5%-11%	1	24.17	-	-	-	-	-	-	-	-	-	-	24.17
		Above 3 years	9.5%-10%	2	107.00	2	107.00	-	-	-	-	-	-	-	-	214.00
	Bullet	1-3 years	8%-8.5%	-	-	1	60.00	-	-	-	-	-	-	-	-	60.00
			8.5%-9%	1	100.00	-	-	-	-	-	-	-	-	-	-	100.00
			9%-9.5%	-	-	1	185.31	-	-	-	-	-	-	-	-	185.31
			9.5%-10%	2	108.33	2	80.26	1	212.49	-	-	-	-	-	-	401.08
			10%-10.5%	3	225.00	-	-	1	13.39	-	-	-	-	-	-	238.39
		Above 3 years	9.5%-10%	-	-	1	71.00	-	-	-	-	-	-	-	-	71.00
			10%-10.5%	-	-	-	-	-	-	-	-	2	63.74	-	-	63.74
			11%-11.5%	1	19.50	-	-	-	-	-	-	-	-	-	-	19.50
			11.5%-12%	1	19.50	-	-	-	-	-	-	-	-	-	-	19.50
			14%-14.5% $	-	-	1	50.00	-	-	-	-	-	-	-	-	50.00
	Annually	Above 3 years	10%-10.5%	-	-	-	-	1	48.00	1	192.00	-	-	-	-	240.00
Term loan banks	Monthly	1-3 years	7%-7.5%	4	3.64	-	-	-	-	-	-	-	-	-	-	3.64
			7.5%-8.0%	94	549.59	51	457.26	6	106.12	-	-	-	-	-	-	1,112.97
			8%-8.5%	126	228.43	46	30.28	-	-	-	-	-	-	-	-	258.71
			8.5%-9%	341	1,232.92	147	760.28	16	97.20	-	-	-	-	-	-	2,090.40
			9%-9.5%	651	1,964.95	427	1,563.56	112	360.19	-	-	-	-	-	-	3,888.70
			9.5%-10%	345	621.62	104	159.15	3	2.50	-	-	-	-	-	-	783.27
			10%-10.5%	198	277.85	56	89.46	3	1.82	-	-	-	-	-	-	369.13
			10.5%-11%	59	73.45	11	10.56	-	-	-	-	-	-	-	-	84.01
			11%-11.5%	34	37.77	2	2.06	-	-	-	-	-	-	-	-	39.83
			11.5%-12%	24	37.50	6	9.38	-	-	-	-	-	-	-	-	46.88
		Above 3 years	7.5%-8.0%	24	33.33	14	19.37	-	-	-	-	-	-	-	-	52.70
			8%-8.5%	6	29.09	-	-	-	-	-	-	-	-	-	-	29.09
			8.5%-9%	12	27.27	6	13.64	-	-	-	-	-	-	-	-	40.91
			9%-9.5%	35	51.96	17	23.04	9	6.25	-	-	-	-	-	-	81.25
			9.5%-10%	5	1.41	-	-	-	-	-	-	-	-	-	-	1.41
			10%-10.5%	19	20.60	12	10.91	3	2.73	-	-	-	-	-	-	34.24
			10.5%-11%	12	1.14	12	1.25	12	1.37	5	0.66	-	-	-	-	4.42
	Quarterly	1-3 years	7.5%-8%	8	45.00	6	27.50	1	2.50	-	-	-	-	-	-	75.00
			8%-8.5%	7	117.50	3	60.00	-	-	-	-	-	-	-	-	177.50
			8.5%-9%	12	98.67	12	99.35	2	18.10	-	-	-	-	-	-	216.12
			9%-9.5%	28	226.62	27	288.74	9	154.55	-	-	-	-	-	-	669.91
			9.5%-10.0%	27	89.72	21	78.47	1	8.75	-	-	-	-	-	-	176.94
			10.0%-10.5%	24	154.38	13	78.28	-	-	-	-	-	-	-	-	232.66
		Above 3 years	7.5%-8.0%	3	15.00	4	20.00	-	-	-	-	-	-	-	-	35.00
			9%-9.5%	7	63.64	8	72.73	-	-	-	-	-	-	-	-	136.37
	Half Yearly	1-3 years	10.0%-10.5%	2	20.00	-	-	-	-	-	-	-	-	-	-	20.00
	Bullet	1-3 years	8.5%-9.0%	-	-	1	12.50	-	-	-	-	-	-	-	-	12.50
			9.0%-9.5%	2	40.00	-	-	-	-	-	-	-	-	-	-	40.00
			10.0%-10.5%	1	27.50	-	-	-	-	-	-	-	-	-	-	27.50

Terms of repayment of borrowings as on March 31, 2023

₹ in crore

Term loan from financial institutions	Monthly	1-3 years	9.0%-9.5%	7	117.25	8	132.75	-	-	-	-	-	-	-	-	250.00
			12.0%-12.5%	24	40.00	18	26.67	-	-	-	-	-	-	-	-	66.67
	Quarterly	1-3 years	7.0%-7.5%	4	100.00	4	100.00	3	75.00	-	-	-	-	-	-	275.00
		Above 3 years	9.5%-10.0%	12	145.20	12	99.00	12	55.20	5	32.60	-	-	-	-	332.00
			11.5%-12.0%	4	2.50	3	1.50	-	-	-	-	-	-	-	-	4.00
	Half Yearly	Above 3 years	11.5%-12%	16	409.15	6	180.00	-	-	-	-	-	-	-	-	589.15
Term loan from non-banking financial companies	Monthly	1-3 years	9%-9.5%	46	77.02	42	71.39	20	45.29	-	-	-	-	-	-	193.70
			9.5%-10%	43	57.47	25	37.11	20	30.72	-	-	-	-	-	-	125.30
			10%-10.5%	16	38.74	12	37.71	-	-	-	-	-	-	-	-	76.45
		Above 3 years	10.5%-11.0%	24	36.36	6	12.12	-	-	-	-	-	-	-	-	48.48
			10.0%-10.5%	22	15.24	23	16.79	-	-	-	-	-	-	-	-	32.03
	Quarterly	1-3 years	9%-9.5%	4	8.33	4	8.33	-	-	-	-	-	-	-	-	16.66
			9.5%-10%	7	26.25	6	26.67	4	21.67	1	5.42	-	-	-	-	80.01
			10.0%-10.5%	4	8.33	-	-	-	-	-	-	-	-	-	-	8.33
	Half Yearly	1-3 years	10.5%-11.0%	4	15.33	-	-	-	-	-	-	-	-	-	-	15.33
External commercial borrowings	Half Yearly	Above 3 years	9.0%-9.5%	-	-	1	32.70	2	65.39	2	65.39	-	-	-	-	163.48
			9.5%-10.0%	-	-	2	115.47	4	230.94	4	230.94	-	-	-	-	577.35
			10.0%-10.5%	-	-	2	44.70	2	44.70	1	22.35	-	-	-	-	111.75
			10.5%-11.0%	-	-	-	-	-	-	2	82.22	2	82.22	-	-	164.44
	Yearly	Above 3 years	9.5%-10.0%	-	-	-	-	1	38.79	1	38.79	1	77.58	-	-	155.16
	Bullet	1-3 years	9.5%-10.0%	-	-	-	-	1	199.38	-	-	-	-	-	-	199.38
		Above 3 years	10.0%-10.5%	-	-	-	-	1	203.75	-	-	-	-	-	-	203.75
Sub-debt	Bullet	Above 3 years	14.5%-15%	-	-	-	-	1	12.50	1	12.50	-	-	-	-	25.00
Securitisation	Monthly	1-3 years	8.5%-9.0%	12	72.65	5	26.12	-	-	-	-	-	-	-	-	98.77
Grand Total				**2,370.00**	**7,863.87**	**1,193.00**	**5,410.37**	**251.00**	**2,059.29**	**23.00**	**682.87**	**5.00**	**223.54**	**-**	**-**	**16,239.94**

$ Sub-debt in the nature of Debentures.
Note: The above amount pertains to the principal outstanding only.

16 Other financial liabilities

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Lease liabilities	106.30	78.51
Others	0.20	0.37
Total	**106.50**	**78.88**

17 Provisions

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Provision for employee benefits:		
Gratuity (Refer Note 31)	15.14	10.57
Leave encashment and availment	32.32	26.06
Total	**47.46**	**36.63**

18 Other non-financial liabilities

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Statutory dues payable (Tax deducted at source, Goods and services tax etc)	24.86	19.10
Total	**24.86**	**19.10**

19 Equity share capital

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Authorised		
Equity shares of ₹ 10 each	170.00	160.00
17,00,00,000 (March 31, 2023 : 16,00,00,000) Equity shares (Refer note g below).	**170.00**	**160.00**
	March 31, 2024	**March 31, 2023**
Issued, subscibed and fully paid up		
15,93,76,967 (March 31, 2023 : 15,89,06,443) Equity shares of ₹10 each fully paid	159.38	158.91

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity Shares	March 31, 2024		March 31, 2023 **	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
At the beginning of the year	158,906,443	158.91	155,866,346	155.87
Add: Issued during the year				
- On account of Qualified Institutional Placement	-	-	-	-
- On account of scheme of merger **	-	-	2,675,351	2.68
- Employee Stock Option Plan	470,524.00	0.47	364,746	0.36
Outstanding at the end of the year	**159,376,967**	**159.38**	**158,906,443**	**158.91**

** The Holding Company allotted 2,675,351 equity shares dated March 27, 2023 and it was pending for listing as on March 31, 2023.

(b) Terms/Rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. Any dividends proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Holding Company

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10 each fully paid				
CreditAccess India BV *	106,109,041	66.58%	115,109,041	72.44%

* Including 13 number of shares held by Paolo Bricheti where beneficial holding lies with CreditAccess India BV.

(d) Details of Promoters share holding

Particulars	No. of Shares	%of total shares	% Change during the year
	March 31, 2024		
1) CreditAccess India BV	106,109,041	66.58%	-5.86%
	March 31, 2023		
	115,109,041	72.44%	-1.41%

(e) For details of shares reserved for issue under the employee stock option (ESOP) plan of the Holding Company refer Note 38.

(f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	31-Mar-23 (No. of equity shares)	31-Mar-22 (No. of equity shares	31-Mar-21 (No. of equity shares	31-Mar-20 (No. of equity shares	31-Mar-19 (No. of equity shares
Equity shares allotted to Equity Share holders of Madura Micro Finance Limited (erstwhile subsidiary) as a purchase consideration for amalgamation of business with the Company	2,675,351	-	-	-	-
Total	**2,675,351**	**-**	**-**	**-**	**-**

(g) March 31, 2023: NCLT has issued order dated February 07, 2023, approving amalgamation of Madura Micro Finance Limited (the "Transferor Company") with CreditAccess Grameen Limited (the "Transferee Company") effective from April 1, 2020. The Holding Company has filed the Certified True Copy of the Order in the Form INC-28 with the Registrar of Companies ("ROC") Karnataka, on February 15, 2023 and upon approval such Form, the authorised share capital of ₹ 10 Crore of transferor Company shall stand transferred to transferee Company. As at March 31, 2024, Form INC-28 is approved by ROC and accordingly ₹ 10 Crores is considered as part of authorised capital.

20 Other equity*

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	824.92	535.73
Capital reserve	49.95	49.95
Securities premium	2,498.13	2,478.59
Share options outstanding account	31.17	19.41
Retained earnings	3,011.07	1,855.13
Effective portion of Cash Flow Hedge	(4.64)	9.25
Total	**6,410.60**	**4,948.06**

* For detailed movement of reserves refer statement of changes in equity for the year ended March 31, 2024, March 31, 2023.

Nature and purpose of reserve

20.1 Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

20.2 Capital reserve

During the year ended 2018, the Holding Company pursuant to the scheme of amalgamation, acquired MV Microfin Private Limited with effect from April 1, 2017. As per the accounting treatment of the scheme of amalgamation approved by the Honourable High Court of Karnataka, the differential amount between the carrying value of investments and net assets acquired from the transferor companies has been accounted as Capital reserve.

20.3 Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)

Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45-IC of Reserve Bank of India Act 1934.

20.4 Share option outstanding account

The share option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

20.5 Retained earnings

Retained earnings are the profits that the Holding Company has earned till date, less any transfers to statutory reserve, general reserve or any other such other appropraitions to specific reserves.

20.6 Other comprehensive income

(i) Effective portion of Cash Flow Hedge

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss.

(ii) Fair valuation of loans through other comprehensive income (FVTOCI)

The Holding Company had elected to recognize changes in the fair value of loans in other comprehensive income. These changes are accumulated as reserve within equity. The Holding Company transfers amount from this reserve to retained earnings when the relevant loans are derecognized. Also Refer note 7.

20.7

₹ in crore

Movement of other comprehensive income for the year	March 31, 2024	March 31, 2023
Opening balance	**9.25**	**(89.83)**
(+) Fair value change during the year	(9.25)	32.25
(+) Effective portion of Cash Flow Hedge	(4.64)	9.25
(-) Impairment allowance transferred to statement of profit and loss	-	57.58
Closing balance	**(4.64)**	**9.25**

20.8 The Board of Directors has recommended final dividend of ₹ 10 per equity share (face value of ₹ 10 each) out of the profits for the financial year ended March 31, 2024, subject to shareholders approval. The Group had not declared or paid any dividend and had not proposed final dividend for the year ended March 31, 2023.

21 Interest income

₹ in crore

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total
Interest on loans	-	4,798.04	4,798.04	556.50	2,720.91	3,277.41
Income from securitisation	-	14.51	14.51	-	0.06	0.06
Interest on deposits with banks and financial institutions	-	40.85	40.85	-	31.04	31.04
Income from government securities	-	46.71	46.71	-	18.62	18.62
Total	**-**	**4,900.11**	**4,900.11**	**556.50**	**2,770.63**	**3,327.13**

22 Fees and commission income

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Service fees for management of assigned portfolio of loans	0.07	0.03
Service and administration charges	0.45	1.23
Distribution Income	91.90	18.25
Total	**92.42**	**19.51**

23 Net gain on fair value changes

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
(A) Net gain on fair value instruments at fair value through profit or loss		
(i) On trading Investments portfolio		
(a) Realised	14.34	21.32
(b) Unrealised	20.17	-
(B) Others		
(i) Gain on derecognition of loans designated at FVTOCI (Net)	-	(3.18)
Total	**34.51**	**18.14**

24 Other Income

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Miscellaneous income *	5.98	5.67
Total	**5.98**	**5.67**

* Includes advertisement income, service and administration charges, Interest on Income tax refund and other miscellaneous income.

25 Finance costs

₹ in crore

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total
Interest on debt securities	-	200.63	200.63	-	135.61	135.61
Interest on borrowings other than debt securities	-	1,509.12	1,509.12	-	1,054.17	1,054.17
Interest on subordinated liabilities	-	6.69	6.69	-	11.30	11.30
On financial liability towards securitisation (re-recognised on balance sheet)	-	5.47	5.47	-	0.02	0.02
Other interest expense						
- Interest on lease liabilities	-	9.98	9.98	-	8.79	8.79
- Others	-	0.55	0.55	-	2.99	2.99
Total Finance costs	**-**	**1,732.44**	**1,732.44**	**-**	**1,212.88**	**1,212.88**

26 Impairment on financial instruments

₹ in crore

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	Total
Group lending loans	-	440.47	440.47	57.58	328.24	385.82
Individual loans	-	11.30	11.30	-	15.20	15.20
Total	**-**	**451.77**	**451.77**	**57.58**	**343.44**	**401.02**

27 Employee benefit expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Salaries and wages	588.58	454.28
Contribution to provident and other funds	61.72	45.33
Share based payments to employees	16.71	10.65
Staff welfare expenses	2.42	4.98
Total	**669.43**	**515.24**

28 Depreciation and amortization expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
- On property, plant and equipment	11.65	13.38
- On intangible assets	22.24	22.87
- On right of use assets	17.26	13.59
Total	**51.15**	**49.84**

29 Other expenses

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Rental charges payable under operating leases (Refer Note 36)	34.77	29.89
Bank charges	5.92	3.24
Rates and taxes	11.29	11.82
Insurance	8.09	5.94
Repairs and maintenance	39.24	27.38
Electricity	6.68	5.43
Travelling and conveyance	122.78	100.20
Postage and telecommunication	14.47	15.04
Printing and stationery	10.59	6.15
Professional and consultancy charges	21.75	22.48
Remuneration to directors	2.43	2.10
Auditor's remuneration (Refer Note below)	1.82	2.73
Training expenses	15.13	12.17
Credit bureau expenses	9.69	4.78
Corporate Social Responsibility expenses (Refer Note below)	12.17	8.40
NCD Issue expenses	2.52	2.99
Provision/ write-off of other assets	0.61	0.31
Miscellaneous expenses	4.83	3.54
Total	**324.78**	**264.59**

Auditor's remuneration

₹ in crore

Particulars	For the year ended	
	March 31, 2024#	March 31, 2023#
As auditor		
Audit fee (including Limited review)	1.25	1.72
Others	-	0.19
In other capacity		
Certification services	0.14	0.22
For taxation matters	0.28	0.50
Reimbursement of expenses	0.15	0.10
Total	**1.82**	**2.73**

Excludes payment amounting to ₹ 0.66 crore (March 31, 2023 : ₹ 1.03 crore) for services in relation to issuance of Public Non-convertible debentures, which has been included in NCD Issue expenses.

Details of CSR expenditure

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
a) Gross amount required to be spent by the Company during the year	11.95	8.32
b) Amount spent during the year (in cash)		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	12.17	8.40
c) Shortfall/ (excess) at the end of the year *	(0.22)	(0.08)
d) Total of previous years shortfall	-	-

* Excess spent in financial year ended March 31, 2024 will be set-off against the commitment/ obligation of financial year ended March 31, 2025.

Note:

1. Contribution of ₹ 12.17 crore made to CreditAccess India Foundation (Section 8 Company which is subsidiary of the Company).
2. The Company has a Memorandum of Understanding with CreditAccess India Foundation for CSR Activities (Relief of Poor, Community Development activity like education, healthcare, livelihood and other general public utilities).

30 Income tax

(A)

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Current tax		
(i) Current year	543.96	238.64
(ii) Earlier year	0.61	(0.41)
Deferred tax		
(i) Current year	(51.32)	44.85
(ii) Earlier year	-	(3.72)
Total tax charge	**493.25**	**279.36**

(B) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Profit before tax	1,939.18	1,105.42
At India's statutory income tax rate of 25.17% (2023: 25.17%)	488.09	278.24
Adjustment for non deductible expenses/ (allowable expenses/ deduction)		
Interest	-	0.30
CSR and donation expenses	3.05	2.14
Deduction under section of 80JJAA of Income Tax Act, 1961	(2.50)	(0.78)
Others (net)	4.61	(0.54)
Income tax expense reported in statement of profit and loss	**493.25**	**279.36**

(C) Movement in deferred tax balances for the year ended March 31, 2024

₹ in crore

Particulars	Net balance April 1, 2023	(Charge)/ credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2024	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Impact of difference between tax depreciation/ amortisation	(5.26)	0.71	-	-	(4.55)	-	(4.55)
Remeasurement gain / (loss) on defined benefit plan	6.56	3.04	-	-	9.60	9.60	-
Impairment allowance for loans	80.70	28.61	-	-	109.31	109.31	-
Expenses incurred on Initial Public Offering	0.29	(0.29)	-	-	-	-	-
Receivable from assignment of portfolio	(26.29)	10.00	-	-	(16.29)	-	(16.29)
Other items	24.17	9.92	4.67	-	38.76	38.76	-
Additions on account of Merger	0.76	(0.67)	-	-	0.09	0.09	-
Net Deferred tax assets / (liabilities)	**80.93**	**51.32**	**4.67**	**-**	**136.92**	**157.76**	**(20.84)**

Movement in deferred tax balances for the year ended March 31, 2023

₹ in crore

Particulars	Net balance April 1, 2022	(Charge)/ credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2023	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Impact of difference between tax depreciation/ amortisation	(5.08)	(0.18)	-	-	(5.26)	-	(5.26)
Remeasurement gain / (loss) on defined benefit plan	6.69	(0.13)	-	-	6.56	6.56	-
Impairment allowance for loans	126.47	(45.77)	-	-	80.70	80.70	-
Expenses incurred on Initial Public Offering	1.45	(1.16)	-	-	0.29	0.29	-
Receivable from assignment of portfolio	(19.80)	(6.49)	-	-	(26.29)	-	(26.29)
Other items	44.75	12.74	(2.98)	(30.34)	24.17	24.17	-
Additions on account of Merger	0.90	(0.14)	-	-	0.76	0.76	-
Net Deferred tax assets / (liabilities)	**155.38**	**(41.13)**	**(2.98)**	**(30.34)**	**80.93**	**112.48**	**(31.55)**

(D) The following tables provides the details of income tax assets and income tax liabilities as at:

Current tax assets (net)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Income tax assets	1,356.39	557.83
Less: Income tax liabilities	1,300.76	518.27
Total	**55.63**	**39.56**

Current tax liabilities (net)

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Income tax liabilities	-	238.48
Less: Income tax assets	-	237.92
Total	**-**	**0.56**

31 Employee benefits

A. Defined benefit plan

The Group provides for the gratuity, a defined benefit retirement plan covering qualifying employees. Employees who are in continous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service subject to maximum benefit of ₹ 0.20 crore. The Group has both funded and unfunded gratuity plans and it makes contibutions to Gratuity scheme administered by the insurance company through its Gratuity Fund.

B. Defined contribution plan

The Group makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the basic salary to fund the benefits. The contributions payable to these plans by the Group are administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The Group recognised ₹ 35.71 crore (March 31, 2023 : ₹ 30.64) for Provident fund contributions and ₹ 8.52 crore (March 31, 2023 : ₹ 6.99) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss.

31.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability / assets and its components:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	**32.06**	**26.62**
Current service cost	13.68	6.77
Interest cost	2.23	1.52
Past service cost	-	-
Benefits settled	(2.09)	(2.28)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(6.05)	0.57
- Changes in demographic assumptions	(1.34)	(0.34)
- Changes in financial assumptions	7.26	(0.80)
Obligation at the end of the year	**45.75**	**32.06**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	**21.49**	**18.12**
Interest income on plan assets	1.85	1.37
Re-measurement- actuarial gain	(1.20)	(1.17)
Return on plan assets recognised in other comprehensive income		-
Contributions	10.56	4.86
Benefits settled	(2.09)	(1.69)
Plan assets at the end of the year, at fair value	**30.61**	**21.49**
Net defined benefit liability	**15.14**	**10.57**

31.2 Expenses recognised in statement of profit or loss

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Current service cost	13.68	6.77
Interest cost	0.38	0.15
Net gratuity cost	**14.06**	**6.92**

31.3 Re-measurement recognised in other comprehensive income

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	(6.05)	0.57
- Changes in demographic assumptions	(1.34)	(0.34)
- Changes in financial assumptions	7.26	(0.80)
Re-measurement of the net defined benefit asset		
Return on plan assets (greater)/ less than discount rate	1.20	1.17
Total Actuarial (gains) / losses included in OCI	**1.07**	**0.60**

31.4 Plan assets

Particulars	March 31, 2024	March 31, 2023
Funds managed by insurer for Funded Gratuity Plan	100%	100%

31.5 Defined benefit obligation - Actuarial assumptions

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.19%-7.22%	7.36%
Future salary growth	8%- 10%	8.00%
Attrition rate	28.39% - 53.70%	25.41%
Normal retirement age	60 years	60 years
Average term of liabilty (in years)	5.64 years	5.98 years

31.6 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

₹ in crore

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.15)	3.65	(2.00)	2.30
Future salary growth (1% movement)	3.32	(2.91)	1.94	(1.74)
Attrition rate (1% movement)	(0.89)	0.99	(0.28)	0.31
Mortality Rate (- / + 10% of mortality rates)	(0.02)	0.02	-	-

31.7 Expected contribution to the plan for the next annual reporting period is ₹19.38 crore (March 31, 2023 - ₹10.53).

The weighted average duration of the defined benefit obligation of Company is 5.64 years (for planned assets) [March 31, 2023- 5.98 years]. The expected maturity analysis of undiscounted gratuity is as follows:

₹ in crore

Particulars	Less than a year	Between 1-2 years	Between 2-3 years	Between 3-4 years	Between 4-5 years	Between 5-10 years	Beyond 10 years	Total
March 31, 2024								
Gratuity	6.26	4.95	4.08	3.37	2.76	9.25	62.04	92.71
Total	**6.26**	**4.95**	**4.08**	**3.37**	**2.76**	**9.25**	**62.04**	**92.71**
March 31, 2023								
Gratuity	4.23	3.53	2.88	2.47	2.13	7.00	44.12	66.36
Total	**4.23**	**3.53**	**2.88**	**2.47**	**2.13**	**7.00**	**44.12**	**66.36**

31.8 Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Demographic risks

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the defined benefit obligations depend upon the combination of salary increase, discount rate, and vesting criteria and therefore not very straight forward.

Change in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Code on Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

32 Maturity analysis of assets and liabilities

(A) Maturity analysis of assets and liabilities as at March 31, 2024

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1,107.29	-	**1,107.29**
(b)	Bank balance other than cash and cash equivalents	114.72	91.90	**206.62**
(c)	Derivative financial instruments	36.55	-	**36.55**
(d)	Loans	15,247.59	9,857.40	**25,104.99**
(e)	Investments	1,438.37	0.54	**1,438.90**
(f)	Other financial assets	96.64	24.75	**121.39**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	3.57	52.06	**55.63**
(b)	Deferred tax assets (net)	1.47	135.45	**136.92**
(c)	Property, plant and equipment	-	32.08	**32.08**
(d)	Right of use assets	-	89.27	**89.27**
(e)	Intangible assets under development	-	4.54	**4.54**
(f)	Goodwill	-	375.68	**375.68**
(g)	Other Intangible assets	-	112.05	**112.05**
(h)	Other non-financial assets	22.09	2.15	**24.25**
	Total assets	**18,068.29**	**10,777.87**	**28,846.16**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	36.52	-	**36.52**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	219.83	-	**219.83**
(b)	Debt securities*	529.48	1,512.64	**2,042.12**
(c)	Borrowings (other than debt securities) *	9,341.05	10,432.60	**19,773.65**
(d)	Subordinated liabilities*	-	25.24	**25.24**
(e)	Other financial liabilities	18.69	87.81	**106.50**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	-	-	**-**
(b)	Provisions	24.87	22.59	**47.46**
(c)	Other non-financial liabilities	24.86	-	**24.86**
	Total liabilities	**10,195.30**	**12,080.88**	**22,276.18**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

32 Maturity analysis of assets and liabilities

(B) Maturity analysis of assets and liabilities as at March 31, 2023

₹ in crore

Sl. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1,341.41	-	**1,341.41**
(b)	Bank balance other than cash and cash equivalents	57.27	37.75	**95.02**
(c)	Derivative financial instruments	31.63	-	**31.63**
(d)	Loans	11,021.93	8,021.41	**19,043.34**
(e)	Investments	453.98	0.54	**454.52**
(f)	Other financial assets	120.99	28.60	**149.59**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	-	39.56	**39.56**
(b)	Deferred tax assets (net)	-	80.93	**80.93**
(c)	Property, plant and equipment	-	32.08	**32.08**
(d)	Right of use assets	-	64.75	**64.75**
(e)	Intangible assets under development	-	3.94	**3.94**
(f)	Goodwill	-	375.68	**375.68**
(g)	Other Intangible assets	-	126.52	**126.52**
(h)	Other non-financial assets	18.64	0.49	**19.13**
	Total assets	**13,045.85**	**8,812.25**	**21,858.10**
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	0.10	-	**0.10**
	(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	43.95	-	**43.95**
	(II) Other payables			
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	259.50	0.15	**259.65**
(b)	Debt securities*	646.27	1,026.08	**1,672.35**
(c)	Borrowings (other than debt securities) *	7,313.29	7,248.71	**14,562.00**
(d)	Subordinated liabilities*	0.04	77.87	**77.91**
(e)	Other financial liabilities	11.93	66.95	**78.88**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	0.56	-	**0.56**
(b)	Provisions	18.58	18.05	**36.63**
(c)	Other non-financial liabilities	19.10	-	**19.10**
	Total liabilities	**8,313.32**	**8,437.81**	**16,751.13**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

33 Transfer of financial assets

a) Transferred financial assets that are not derecognised in their entirety.

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Securitisations		
Carrying amount of transferred assets measured at amortised cost	27.94	103.56
Carrying amount of associated liabilities (debt securities - measured at amortised cost) (Refer Note 14)	(22.21)	(98.80)
Fair value of transferred assets	28.05	104.22
Fair value of associated liabilities	(22.22)	(98.48)
Net position at amortised cost	**5.73**	**4.76**

b) Transferred financial assets that are derecognised in their entirety.

The Group has assigned loans (earlier measured at FVTOCI/amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 85%-95% of the assets transferred to the buyer, the assets have been de-recognised from the Group's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost (During the previous year, it was measured at fair value through OCI) on derecognition during the year:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Direct assignments		
Carrying amount of derecognised financial assets	1,096.51	1,721.56
Gain from derecognition	97.03	122.89

Since the Group transferred the above financial asset in a transfer that qualified for derecognition in its entirety, the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition as 'Receivable from assignment of portfolio' with a corresponding profit on derecognition of financial asset.

The Group has not transferred any assets that are derecognised during the year in their entirety where the Group continues to have continuing involvement.

34 Contingent liabilities

Contingent liabilities not provided for in respect of the below:

₹ in crore

(a)

Particulars	March 31, 2024	March 31, 2023
Demand of Goods and services tax for FY 2017-18 and 2018-19^	0.05	-
Demand of Goods and services tax for FY 2018-19 $	3.85	-
Demand under Employee state insurance Act 1948	0.09	-
Demand under Employee Provident Fund Act, 1952	0.25	0.25

^ Tax Matters - Indirect Taxes: This litigations is related to Input tax credit claimed which is disallowed by department of Goods and services tax in the Tamil Nadu state for FY 2017-18 and 2018-19. The Company filed an appeal against this matter with Commissioner Appeals-II Chennai.

$ ^ Tax Matters - Indirect Taxes: This litigations is related to Input tax credit claimed on IPO expenses which is disallowed by department of Goods and services tax in the Karnataka state for FY 2018-19. The Company is in the process of filing appeal with Commissioner Appeals within due date.

(b) In addition, the Holding Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Holding Company financial position and result of operations.

35 Capital commitments

Estimated amounts of contracts remaining to be executed on capital account (net of capital advances) and not provided:

₹ in crore

Particulars	March 31, 2024	March 31, 2023
For purchase / development of computer software	5.05	2.22

36 Leases

36.1 Company as a leasee

The Group's leased assets mainly comprise office buildings and servers taken on lease. Certain agreements provide for cancellation by either party or certain agreements contain clause for escalation and renewal of agreements. The term of property and server leases ranges from 1-10 years. The Group has applied short term lease exemption for leasing arrangements where the period of lease is less than 12 months.

36.2 Total lease liabilities are analysed as follows:

₹ in crore

Lease liabilities	March 31, 2024	March 31, 2023
Current	18.49	11.71
Non-current	87.81	66.80
Total	**106.30**	**78.51**

36.3 Amounts recognised in the statement of profit and loss

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Depreciation charge of right-of-use assets		
Buildings	5.18	4.35
Servers	12.08	9.24
	17.26	**13.59**
Expense relating to variable lease payments		
Expense relating to short-term leases (included in other expenses)	34.77	29.89
Interest on lease liabilities (included in finance costs)	9.98	8.79

36.4

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Total cash outflow for leases	58.74	48.77
Total commitments for short-term leases	16.81	14.56

36.5 The Company had committed to leases which had not commenced. The total future cash outflows for leases that had not yet commenced were as follows:

₹ in crore

Type of asset	March 31, 2024	March 31, 2023
Computers and Servers	9.81	2.26

36.6 The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

₹ in crore

Maturity analysis:	March 31, 2024	March 31, 2023
Less than 1 year	24.78	18.74
Between 1 and 2 years	25.41	18.55
Between 2 and 5 years	70.94	52.64
More than 5 years	0.01	14.37
Total	**121.14**	**104.30**

36.7 The following is the movement in lease liabilities during the year.

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Balance as at beginning of the year	78.51	85.00
Additions in the scheme of Merger	-	-
Additions during the period	41.78	4.96
Finance cost incurred during the period	9.98	8.79
Termination of lease during the period	-	(0.93)
Payment of lease liabilities	(23.97)	(19.31)
Balance as of closing of the year	**106.30**	**78.51**

Note: Refer Note 11(A) for movement in right of use of assets.

37 Related party transactions

Names of the related parties *(as per IndAS – 24)*

Holding Company	CreditAccess India BV (Formerly known as "CreditAccess India NV")
Fellow Subsidiary Company	CreditAccess Life Insurance Limited ('CALIL')
Managing Director (KMP) and Non-Executive Director of MMFL (erstwhile subsidiary)*	Mr. Udaya Kumar Hebbar
Chairman & Lead Independent Director Chairman of MMFL (erstwhile subsidiary)*	Mr. George Joseph
Chairman & Nominee Director (Non-Executive Director & Vice-Chairman (w.e.f October 21, 2022)	Mr. Paolo Brichetti
Non-Executive Director of MMFL (erstwhile subsidiary) *	Mr. Diwakar B R
Independent Director (w.e.f October 21, 2022)	Ms. Rekha Gopal Warriar
Independent Director (upto September 10, 2022)	Ms. Sucharita Mukherjee
Independent Director of the Company and MMFL (erstwhile subsidiary)*	Mr. Manoj Kumar
Nominee Director	Mr. Sumit Kumar
Nominee Director	Mr. Massimo Vita
Independent Director	Ms. Lilian Jessie Paul
Key Managerial Personnel (Chief Executive Officer w.e.f. August 01, 2023)	Mr. Ganesh Narayanan, Chief Executive Officer
Key Managerial Personnel	Mr. Sadananda Balakrishna Kamath, Chief Financial Officer
Key Managerial Personnel	Mr. M J Mahadev Prakash, Company Secretary and Chief Compliance officer
Non-Executive Director of MMFL (erstwhile subsidiary)*	Mr. F. S. Mohan Eddy
Independent Director of MMFL (erstwhile subsidiary)*	Mr. N. C. Sarabeswaran
Key Managerial Personnel of MMFL (erstwhile subsidiary) *	Mr. Ganesh Hegde, Company Secretary
Non-Executive Director of MMFL (erstwhile subsidiary) *	Ms. Tara Thiagarajan
Key Managerial Personnel of MMFL (erstwhile subsidiary) *	Mr. M. Narayanan. Chief Executive Officer & Chief Financial Officer
Other related parties	Grameen Financial Employees Group Gratuity Scheme
Other related parties	Grameen Financial Services Private Limited Superannuation Scheme
Other related parties	GKFSPL ESOP Trust

* Pertaining to Madura Micro Finance Limited ("MMFL" erstwhile subsidiary) which was amalgamated with the Company effective February 15, 2023 pursuant to the NCLT Order dated February 07, 2023.

;# Madura Micro Education Private Limited ("MMEPL") (One of the erstwhile subsidiary company of MMFL) 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.

Related party transactions (Continued)

₹ in crore

Particulars	Key management personnel	
	March 31, 2024	March 31, 2023
Transactions during the year		
Mr. Udaya Kumar Hebbar		
Salary and perquisites	3.90	3.43
Employee Stock Options exercised	1.40	1.04
Mr. Sadananda Balakrishna Kamath		
Salary and perquisites	1.53	1.28
Employee Stock Options exercised	2.12	0.21
Mr. M J Mahadev Prakash		
Salary and perquisites	1.01	0.67
Employee Stock Options exercised	0.06	0.04
Mr. Ganesh Narayanan		
Salary and perquisites	2.42	1.83
Employee Stock Options exercised	1.79	0.79
Mr M Narayanan (Refer footnote Note 1)		
Salary and perquisites	-	1.40
Employee Stock Options exercised	-	-
Mr. Ganesh Hegde		
Salary and perquisites	-	0.11
Employee Stock Options exercised	-	-

Provisions for gratuity and leave benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above. Salary and perquisites exclud ESOP benefits expenses.

Note 1: On account of merger 15,00,508 and 6,24,362 number of equity shares of the Company have been issued to Ms. Tara Thiagarajan and Mr. M Narayanan on March 27, 2023 against the equity shares held in Madura Micro Finance Limited as per the swap ratio mentioned in scheme of merger.

₹ in crore

Sitting fees	March 31, 2024	March 31, 2023
Mr. Paolo Brichetti	0.10	0.04
Mr. Sumit Kumar	0.12	0.13
Mr. Massimo Vita	0.17	0.15
Ms. Sucharita Mukherjee	-	0.01
Mr. George Joseph	0.20	0.22
Mr. Manoj Kumar	0.18	0.14
Ms. Lilian Jessie Paul	0.13	0.05
Mr. N C Sarabeswaran	-	0.03
Ms. Rekha Gopal Warriar	0.08	0.04
Mr. Diwakar B R	-	0.01
Ms Tara Thiagarajan	-	0.01
Mr F S Mohan Eddy	-	0.02

Related party transactions (Continued)

₹ in crore

Commission	Other related parties	
	March 31, 2024	March 31, 2023
Ms. Lilian Jessie Paul	0.35	0.23
Ms. Sucharita Mukherjee #	(0.08)	0.24
Mr. George Joseph	0.50	0.38
Ms. Rekha Gopal Warriar	0.30	0.12
Mr. Manoj Kumar	0.38	0.30

on accrual basis net-off reversal of excess provision.

₹ in crore

Particulars	March 31, 2024	March 31, 2023
Transactions during the year		
CreditAccess Life Insurance Limited ('CALIL')		
(i) Distribution Income	16.33	-
(ii) Cash Deposit given	0.20	-
Grameen Financial Employees Group Gratuity Scheme		
(i) Reimbursement of expenses	0.00	-
GKFSPL ESOP Trust		
(i) Reimbursement of expenses	0.00	-
Grameen Financial Services Private Limited Superannuation Scheme		
(i) Reimbursement of expenses	0.00	-

₹ in crore

Commission payable	Other related parties	
	March 31, 2024	March 31, 2023
Ms. Lilian Jessie Paul	0.25	0.15
Ms. Sucharita Mukherjee	-	0.16
Mr. George Joseph	0.40	0.25
Ms. Rekha Gopal Warriar	0.25	0.12
Mr. Manoj Kumar	0.30	0.20

₹ in crore

Balances Receivable/(Payable)	Fellow Subsidiary Company	
	March 31, 2024	March 31, 2023
CreditAccess Life Insurance Limited ('CALIL')		
(i) Distribution Income receivable	2.77	-
(ii) Cash Deposit Receivable	0.20	-

38 Employee stock options

Stock options: The Group has provided share based payments to its employees under the 'CAGL Employees Stock Option Plan – 2011' (upto July 8, 2020 the name was 'Grameen Koota Financial Services Private Limited – Employees Stock Option Plan 2011'). The various Tranches I, II, III, IV, V , VI, VII, VIII, IX and X represent different grants made under the plan. During year ended March 31, 2024, the following stock option grants were in operation:

Particulars	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X
Date of grant	Jun 1, 2014	Jul 1, 2016	Jan 1, 2017	Jan 1,2018	Jan 1,2021	Jan 1,2022	Jan 1,2023	Jan 17,2024
Date of Board / Compensation Committee approval	Jul 30, 2014	Jun 29, 2016	May 17, 2017	Jan 24, 2018	Jan 29, 2021	Mar 23, 2022	Feb 07, 2023	Jan 19,2024
Number of Options granted	443,000	431,000	521,000	971,000	375,900	1,029,300	768,600	759,800
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Graded vesting period:								
Day following the expiry of 12 months from grant	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 24 months from grant	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 36 months from grant	25%	25%	25%	25%	25%	25%	25%	25%
Day following the expiry of 48 months from grant	25%	25%	25%	25%	25%	25%	25%	25%
Exercise period	48 months from date of vesting				36 months from the date of vesting			
Vesting conditions	Employee to be in service at the time of vesting							
Weighted average remaining contractual life (years)								
-I	-	-	-	-	0.76	1.76	2.76	3.76
-II	-	-	-	-	1.76	2.76	3.76	4.76
-III	-	-	-	0.76	2.76	3.76	4.76	5.76
-IV	-	0.25	0.76	1.76	3.76	4.76	5.76	6.76
Weighted average exercise price per option (₹)	39.86	63.90	84.47	120.87	786.91	595.68	902.60	1,685.30
Weighted average fair value of options (₹)	38.46	75.78	61.95	86.27	224.32	167.40	265.13	443.45

Employee stock options (Continued)

Additional disclosures for Tranche X - granted during the current year and Tranche IX,VIII,VII in previous years:

Particulars	Tranche X	Tranche IX	Tranche VIII	Tranche VII
Share price on the date of Grant (in ₹)	1,685.30	915.30	597.30	768.85
Expected volatility (%)				
I	40.89%	45.60%	44.44%	58.89%
II	42.18%	47.21%	43.38%	52.16%
III	45.27%	45.03%	51.03%	49.37%
IV	46.14%	44.79%	49.42%	49.82%
Risk free interest rate (%)				
I	7.15%	7.13%	5.10%	4.34%
II	7.17%	7.29%	5.65%	4.99%
III	7.19%	7.40%	6.12%	5.62%
IV	7.23%	7.44%	6.46%	6.03%
Fair value per option (in ₹)				
I	306.96	198.44	116.67	184.06
II	399.06	253.55	144.49	207.75
III	496.71	286.55	193.85	235.30
IV	571.04	321.99	214.58	270.19

Reconciliation of options:

Particulars	March 31, 2024	March 31, 2023
Tranche III		
Options outstanding at the beginning of the year	**-**	**4,500**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	3,000
Expired during the year	-	1,500
Outstanding at the end of the year	**-**	**-**
Exercisable at the end of the year	-	-
Tranche IV		
Options outstanding at the beginning of the year	**57,250**	**156,750**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	54,500	99,500
Expired during the year	-	-
Outstanding at the end of the year	**2,750**	**57,250**
Exercisable at the end of the year	2,750	57,250
Tranche V		
Options outstanding at the beginning of the year	**131,900**	**215,250**
Granted during the year	-	-
Forfeited during the year	**-**	**-**
Exercised during the year	113,450	78,350
Expired during the year	-	5,000
Outstanding at the end of the year	**18,450**	**131,900**
Exercisable at the end of the year	18,450	131,900

Employee stock options (Continued)

Tranche VI		
Options outstanding at the beginning of the year	**182,609**	**354,261**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	113,414	162,006
Expired during the year	4,816	9,646
Outstanding at the end of the year	**64,379**	**182,609**
Exercisable at the end of the year	64,379	182,609
Tranche VII		
Options outstanding at the beginning of the year	**306,075**	**332,125**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	38,605	8,100
Expired during the year	2,750	17,950
Outstanding at the end of the year	**264,720**	**306,075**
Exercisable at the end of the year	187,445	149,225
Tranche VIII		
Options outstanding at the beginning of the year	**977,810**	**1,029,300**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	138,405	13,790
Expired during the year	10,825	37,700
Outstanding at the end of the year	**828,580**	**977,810**
Exercisable at the end of the year	341,330	236,210
Tranche IX		
Options outstanding at the beginning of the year	**768,600**	**-**
Granted during the year	-	768,600
Forfeited during the year	-	-
Exercised during the year	12,150	-
Expired during the year	18,275	-
Outstanding at the end of the year	**738,175**	**768,600**
Exercisable at the end of the year	175,900	-
Tranche X		
Options outstanding at the beginning of the year	**-**	**-**
Granted during the year	759,800	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	2,500	-
Outstanding at the end of the year	**757,300**	**-**
Exercisable at the end of the year	-	-

39 Revenue from contracts with customers

₹ in crore

	Particulars	For the year ended	
		March 31, 2024	March 31, 2023
(A)	**Type of services**		
	Service fees for management of assigned portfolio of loans	0.07	0.03
	Service and administration charges	0.45	1.23
	Distribution Income and advertisement display income	91.90	21.32
	Total	**92.42**	**22.58**

(B) Geographical markets

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
India	92.42	22.58
Outside India	-	-
Total	**92.42**	**22.58**

(C) Timing of revenue recognition

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Services transferred at a point in time	92.42	22.58
Services transferred over time	-	-
Total	**92.42**	**22.58**

(D) Receivables

₹ in crore

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Distribution income	20.90	8.13

40 Financial instruments – fair values

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

₹ in crore

Financial assets (assets measured at fair value)	March 31, 2024			March 31, 2023		
	Fair value			Fair value		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments	797.91	-	0.54	-	-	0.54
Derivative financial instruments	-	36.55	-	-	31.63	-
Total	**797.91**	**36.55**	**0.54**	**-**	**31.63**	**0.54**

₹ in crore

Fair value of Financial assets and liabilities measured at amortised Cost	March 31, 2024				March 31, 2023			
	Amortised cost	Fair value			Amortised cost	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Loans	25,104.99	-	-	25,157.33	19,043.34	-	-	18,952.66
Investment (G-sec)	640.45	-	-	639.96	453.98	-	-	431.18
Total	**25,745.44**	**-**	**-**	**25,797.29**	**19,497.32**	**-**	**-**	**19,383.84**
Debt securities	2,042.12	-	-	2,070.49	1,672.35	-	-	1,694.06
Borrowings (other than debt securities)	19,773.65	-	-	19,320.40	14,562.00	-	-	14,617.50
Subordinated liabilities	25.24	-	-	26.61	77.91	-	-	83.11
Lease liabilities	106.30	-	-	107.04	78.51	-	-	79.22
Total	**21,947.31**	**-**	**-**	**21,524.55**	**16,390.77**	**-**	**-**	**16,473.89**

Note: The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets and payables are considered to be the same as their fair values, due to their short-term nature.

There were no transfers between Level 3 and Level 1 / Level 2 during the current year.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Loans (measured at amortised cost)

Fair values of Loans measured at amortised cost have been measured based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The significant unobservable input is the discount rate, determined using the recent lending rate of the Group.

Financial liabilities measured at amortised cost

The fair value of fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rate being charged for new borrowings. The fair value of floating rate borrowing is deemed to equal its carrying value.

41 Risk Management

41.1 Introduction and risk profile

CreditAccess Grameen Limited (the 'Holding Company) is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Company predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, children's education, sanitation and personal emergency loans. With a view to diversifying the product profile, the company has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The major risks for the company are credit, operational, market, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

41.1.a Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.The Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Group. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Board has a Risk Management committee which is responsible for monitoring the overall risk process within the Group and reports to the Board of Directors.

The Risk Management guidelines will be implemented through the established organization structure of Risk Department. The overall monitoring of the Risks is done by the Chief Risk Officer (CRO) with the support from all the department heads of the Group. The Board reviews the status and progress of the risk and risk management system, on a quarterly basis through the Audit Committee and Risk Management Committee. The individual departments are responsible for ensuring implementation of the risk management framework and policies, systems and methodologies as approved by the Board. Assignment of responsibilities in relation to risk management is prerogative of the Heads of Departments, in coordination with CRO. While each department focuses on its specific area of activity, the Risk Management Unit operates in coordination with all other departments, utilising all significant information sourced to ensure effective management of risks in accordance with the guidelines approved by the Board. The unit works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

Heads of Departments are accountable to a Management Level Risk Committee (MLRC) comprising of MD, CEO, CFO, CAO, CBO, CTO and CRO. The departmental heads will report for the implementation of above mentioned guideline within their respective areas of responsibility. The department heads are also accountable to the MLRC for identification, assessment, aggregation, reporting and monitoring of the risk related to their respective domain.

The Group's policy is that risk management processes throughout the Group are audited by the Internal Audit function, which examines both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Audit Committee.

41.1.b Risk mitigation and risk culture

Risk assessments are conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Group. Procedures are established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Group formulates its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation is planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss.

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible

41.1.c Risk measurement and reporting systems

The heads of all the departments in association with risk management department are responsible for coordinating the systems for identifying risks within their own department or business activity through RCSA exercise to be conducted at regular intervals.

Based on a cost / benefit assessment of a risk, as is undertaken, some risks may be judged as having to be accepted because it is believed mitigation is not possible or warranted.

As the risk exposure of any business may undergo change from time to time due to continuously changing environment, the updation of the Risk Register will be done on a regular basis.

All the strategies with respect to managing these major risks shall be monitored by the CRO and MLRC.

The Management Level Risk Committee meetings are held as necessary or once a month. The Management Level Risk Committee would monitor the management of major risks specifically and other risks of the Group in general. The Committee takes an integrated view of the risks facing the entity and monitor implementation of the directives received from Risk Management Committee and actionable items drawn from the risk management framework.

Accordingly, the Management Level Risk Committee reviews the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of Key Risk Threshold breaches (KRI's), consequent actions taken and review of operational loss events, if any.
- Review of process compliances across organisation.
- Review of HR management, training and employee attrition.
- Review of new initiatives and product/policy/ process changes.
- Discuss and review performance of IT systems.
- Review, where necessary, policies that have a bearing on the operational & credit risk management and recommend amendments.
- Discuss and recommend suitable controls/ mitigations for managing operational & credit risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/mitigating the same.

41.1.d Risk Management Strategies

Excessive risk concentrations

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

The following management strategies and policies are adopted by the Group to manage the various key risks.

Political Risk mitigation measures:

- Low cost operations and low pricing for customers.
- Customer centric approach, high customer retention.
- Rural focus.
- Systematic customer awareness activities.
- High social focused activities.
- Adherence to client protection guidelines.
- Robust grievance redressal mechanism.
- Adherence to regulatory guidelines in letter and spirit.

Concentration risk mitigation measures:

- District centric approach.

- District exposure cap.
- Restriction on growth in urban locations.
- Maximum disbursement cap per loan account.
- Maximum loan exposure cap per customer.
- Diversified funding resources.

Operational & HR Risk mitigation measures:

- Stringent customer enrolment process.
- Multiple products.
- Proper recruitment policy and appraisal system.
- Adequately trained field force.
- Weekly & fortnightly collections – higher customer touch, lower amount instalments.
- Multilevel monitoring framework.
- Strong, Independent and fully automated Internal Audit function.
- Strong IT system with access to real time client and loan data.

Liquidity risk mitigation measures:

- Diversified funding resources.
- Asset liability management.
- Effective fund management.
- Maximum cash holding cap.

Expansion risk mitigation measures:

- Contiguous growth.
- District centric approach.
- Rural focus.
- Branch selection based on census data & credit bureau data.
- Three level survey of the location selected.

Credit risk

Credit risk is the risk of financial loss to the Group if the counterparty to a financial instrument, whether a customer or otherwise, fails to meet its contractual obligations towards the Group. Credit risk is the core business risk of the Grouo. The Group therefore has high appetite for this risk but low tolerance and the governance structures including the internal control systems are particularly designed to manage and mitigate this risk. The Group is mainly exposed to credit risk from loans to customers (including loans transferred to SPVs under securitization agreements, excluding loans sold under assignment presented as off-balance sheet assets).

The credit risk may arise due to, over borrowing by customers or over lending by other financial institutions competitors, gaps in joint-liability collateral and repayment issues due to external factors such as political, community influence, regulatory changes and natural disasters (storm, earthquakes, fires, floods) and intentional default by customers.

To address credit risk, the Group has stringent credit policies for customer selection. To ensure the credit worthiness of the customers, stringent underwriting policies such as credit investigation, both in-house and field credit verification, is in place. In addition, the compnay follows a systematic methodology in the selection of new geographies where to open branches considering factors such as the portfolio at risk and over indebtedness of the proposed area/region, potential for micro-lending and socio-economic risk evaluation (e.g., the risk of local riots or natural disasters). Loan sanction and rejections are carried out at the head office. A credit bureau rejections analysis is also regularly carried out in Group.

Credit risk is being managed by continuously monitoring the borrower's performance if borrowers are paying on time based on their amortization dues. The Group ensures stringent monitoring and quality operations through both field supervision (branch/ area/region staff supervision, quality control team supervision) and management review. Management at each Compnay's head office closely monitors credit risk through system generated reports (e.g., PAR status and PAR movement, portfolio concentration analysis, vintage analysis, flow-rate analysis) and Key Risk Indicators (KRIs) which include proactive actionable thresholds limits (acceptable, watch and breach) developed by CRO, revised at the the MLRC and at the Risk Committee at the Board level.

Some of the main strategies to mitigate credit risk are:

1. Maintain stringent customer enrolment process,
2. Undertake systematic customer awareness activities/ programs,
3. Reduce geographical concentration of portfolio,
4. Maximum loan exposure to member as determined from time to time,
5. Modify product characteristics if needed (e.g., longer maturity for group clients in case the loan is above a certain threshold),
6. Carry out due diligence of new employees and adequate training at induction,

7. Decrease field staff turnover,

8. Supporting technologies: credit bureau checks, GPS tagging and KYC checks.

The exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the country in which the customers are located, as these factors may have an influence on the credit risk.

41.2 Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

41.2.a Definition of default, significant increase in credit risk and stage assessment

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1: includes loans for which the credit risk at the reporting date is in line with the credit risk at initial recognition (i.e. disbursement date).

Stage 2: includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk i.e. SICR).

Stage 3: includes default loans. A loan is considered as default at the earlier of (i) the Group considers that the obligor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing collateral (if held); or (ii) the obligor is past due more than 90 days on any material credit obligation to the Group.

The accounts which were restructured under the resolution Framework for Covid-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) were initially classified under Stage-2.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument.

(i) Staging classification of Joint Liability Group (JLG) loans of Group

Unlike banks which have more of monthly repayments, the Group offers products with primarily weekly/ biweekly repayment frequency, whereby 15 and above Days past due ('DPD') means minimum 2 missed instalments from the borrower, and accordingly, the Group has identified the following stage classification to be the most appropriate for such products :

Stage 1: 0 to 15 DPD.

Stage 2: 16 to 60 DPD (SICR).

Stage 3: above 60 DPD (Default).

(ii) Self Help groups (SHG)

The Group has identified the following stage classification to be the most appropriate for its loans as these loans are mainly on monthly repayment basis:

Stage 1: 0 to 30 DPD.

Stage 2: 31 to 60 DPD (SICR).

Stage 3: Above 60 DPD (Default).

(iii) Staging classification of Individual Loans of the Group

For monthly repayment model, the Group has identified the following stage classification to be the most appropriate for these loans :

Stage 1: 0 to 30 DPD.

Stage 2: 31 to 90 DPD (SICR).

Stage 3: Above 90 DPD (Default).

41.2.b Probability of Default ('PD')

(i) Group lending (including SHG)

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each loan account separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of loan outstanding in stage 1 moving into stage 3 in 12-months' time

PD for stage 2: is derived as %age of loan outstanding in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation

PD for stage 3: is derived as 100% in line with accounting standard

(ii) Individual Loans

Individual loans is a relatively new portfolio that was started in November 2016. Performance history of matured vintage loan is not available in adequate number to build PD or LGD model. The ECL estimation for Individual loans portfolio is carried out using a method which is based on management judgement.

41.2.c Exposure at default (EAD)

Exposure at default (EAD) is the sum of outstanding principal and the interest amount accrued but not received on each loan as at reporting date.

41.2 .d Loss given default (LGD)

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.

(i) Group lending loans (including SHG)

LGD is computed as below:

The Group determines its expectation of lifetime loss by estimating recoveries towards its loan through analysis of historical information. The Group determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. LGD is the difference between the exposure at default(EAD) and discounted recovery amount ; this is expressed as percentage of EAD.

(ii) Individual loans

Individual loans is a portfolio that was started in November 2016. Performance history of matured vintage loan is not available in adequate number to build PD or LGD model. The ECL estimation for individual loans portfolio is carried out using a methodology which is based on management judgement.

41.2 .e Grouping financial assets measured on a collective basis

The Group believes that the Joint Group Lending loans (JLG) have shared risk characteristics (i.e. homogeneous) while SHG loans and Individual loans (IL) have risk characteristics different from JLG loans. Therefore, JLG, SHG and IL are treated as three separate groups for the purpose of determining impairment allowance.

41.2 .f The Group's Loan book consists of a large number of customers spread over diverse geographical area, hence the Group is not exposed to concentration risk with respect to any particular customer.

41.2 .g Analysis of inputs to the ECL model under multiple economic scenarios

ECL estimates are subject to adjustment based on the output of macroeconomic model which incorporates forward looking assessment of the economic environment under which the Group operates in the form of Management overlay.

41.3 Capital

The Group actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.

Capital management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital. The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

Planning

The Group's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks– which include credit, operational, liquidity and interest rate.

The Group monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its Assets Liability Management Committee (ALCO).

The Group endeavours to maintain its CRAR higher than the mandated regulatory norm of 15%. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

41.4 Liquidity risk and funding management

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Group may face an asset-liability mismatch caused by a difference in the maturity profile of its assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are Liquidity Risk mitigation measures put in place which helps in maintaining the following:

Diversified funding resources:

The Group's treasury department secures funds from multiple sources, including banks, financial institutions and capital markets and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Group continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of the loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

Asset Liability Management (ALM) can be termed as a risk management technique designed to earn an adequate return while maintaining a comfortable surplus of assets over liabilities. ALM, among other functions, is also concerned with risk management and provides a comprehensive as well as dynamic framework for measuring, monitoring and managing liquidity and interest rate risks. ALM is an integral part of the financial management process of the Group. It is concerned with strategic balance sheet management, involving risks caused by changes in the interest rates and the liquidity position of CAGL. It involves assessment of various types of risks and altering the asset-liability portfolio in a dynamic way in order to manage risks.

ALM committee constitutes of Board of Directors who would review the tolerance limits for liquidity/ interest rate risks and would recommend to Board of Directors for its approval from time to time. As per the directions of the Board, the ALM statements would be reported to the ALM committee on quarterly basis for necessary guidance.

The scope of ALM function can be described as follows:

i. Funding and Capital Managementm,

ii. Liquidity risk management,

iii. Interest Rate risk management,

iv. Forecasting and analyzing 'What if scenario' and preparation of contingency plans.

Capital guidelines ensure the maintenance and independent management of prudent capital levels for CAGL to preserve the safety and soundness of the Group, to support desired balance sheet growth and the realization of new business; and to provide a cushion against unexpected losses.

Liquidity assessment as on March 31, 2024

₹ in crore

Particulars $	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*									
Debt securities	10.95	153.15	12.29	33.85	471.11	1,365.87	400.11	-	**2,447.33**
Borrowings (other than debt securities)	885.74	844.64	945.29	2,981.00	5,051.41	10,854.04	428.44	177.08	**22,167.64**
Subordinated liabilities	-	-	0.79	0.79	1.57	28.15	-	-	**31.30**
Total	**896.69**	**997.79**	**958.37**	**3,015.64**	**5,524.09**	**12,248.06**	**828.55**	**177.08**	**24,646.27**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

$ including future Interest outflow.

Risk Management (continue)

Liquidity assessment as on March 31, 2023

₹ in crore

Particulars $	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*									
Debt securities	135.06	79.47	61.56	221.04	264.46	905.73	289.82	-	**1,957.14**
Borrowings (other than debt securities)	611.49	633.88	704.10	2,303.14	3,945.00	7,199.74	686.31	-	**16,083.66**
Subordinated liabilities	6.42	6.86	8.18	24.26	53.96	97.25	12.94	-	**209.87**
Total	**752.97**	**720.21**	**773.84**	**2,548.44**	**4,263.42**	**8,202.72**	**989.07**	**-**	**18,250.67**

* All borrowings are disclosed based on the contractual maturities since loan covenant breaches, if any have been waived off by the lenders.

$ including future Interest outflow.

41.5 Market Risk

41.5.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading or non–trading portfolios and manages each of those portfolios separately.

41.5.2 Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the Group's financial condition. The immediate impact of changes in interest rates is on earnings (i.e. reported profits) by changing its Net Interest Margin (NIM). The risk from the earnings perspective can be measured as changes in Net Interest Margin (NIM). In line with RBI guidelines, the traditional Gap analysis is considered as a suitable method to measure the Interest Rate Risk for the Group.

In case of Holding Company it may be noted that portfolio loans are not rate sensitive as there is no re-pricing of existing loans carried out. Only some of the liabilities in the form of borrowings are rate sensitive and considering the size of our business the quantum of impact of change of interest rate of borrowings on liquidity is not significant and can be managed with appropriate treasury action.

The following table demonstrates the sensitivity to a reasonably possible charge in interest rates (all other variables being constant) of the Group's profit and loss statement.

₹ in crore

Particulars	Basis points	Effect on profit / loss and equity for the year 2023-24	Effect on profit / loss and equity for the year 2022-23
Borrowings			
Increase in basis points	+ 25	(26.76)	(19.96)
Decrease in basis points	**- 25**	**26.76**	**19.96**

Risk Management (continue)

41.5.3 Currency risk

Group risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract.

Particulars	March 31, 2024	March 31, 2023
	USD	
Liability – External Commercial Borrowings	442,000,000	195,000,000
Assets – Cross Currency Interest rate Swap Contract	442,000,000	195,000,000

41.5.4 Hedging Policy

The Group's Hedging Policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationship where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and qualitative assessment of effectiveness is performed.

In respect of Interest rate swaps, there is an economic relationship between the hedged item and the hedging instrument as the terms of the Interest Rate swap contract match that of the foreign currency borrowing (notional amount, interest repayment date etc.). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap are identical to the hedged risk components.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the '(Gain) / Loss in Fair Value of Derivatives' line item.

Impact of hedge on the balance sheet

₹ in crore

Particulars	Year	Notional amount	Carrying amount of hedging instrument assets	Carrying amount of hedging instrument Liability
₹ USD CCIRS	March 31, 2023	1,575.32	31.63	-
₹ USD CCIRS	March 31, 2024	3,612.86	36.55	-

42 Changes in liabilities arising from financing activities

₹ in crore

Particulars	As at March 31, 2023	Cash flows (Net)	Changes in fair value	Exchange difference	Others	As at March 31, 2024
Debt securities	1,672.35	386.08	-	-	(16.31)	2,042.12
Borrowings (other than debt securities)	14,562.00	5,169.45	-	-	42.20	19,773.65
Subordinated liabilities	77.91	(52.76)	-	-	0.08	25.24
Lease liabilities	78.51	(23.97)	-	-	51.76	106.30
Total liabilities from financing activities	**16,390.77**	**5,478.80**	**-**	**-**	**77.73**	**21,947.31**

₹ in crore

Particulars	As at March 31, 2022	Cash flows (Net)	Changes in fair value	Exchange difference	Others	As at March 31, 2023
Debt securities	1,418.10	256.34	-	-	(2.09)	1,672.35
Borrowings (other than debt securities)	11,424.85	3,123.33	-	-	13.81	14,562.00
Subordinated liabilities	77.74	(0.44)	-	-	0.61	77.91
Lease liabilities	85.00	(18.89)	-	-	12.40	78.51
Total liabilities from financing activities	**13,005.69**	**3,360.34**	**-**	**-**	**24.73**	**16,390.77**

43 Operating segments

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Group. The Group operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure. No revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue in year ended March 31, 2024 and March 31, 2023.

44 Goodwill impairment testing

Goodwill is subject to review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill does not generate cash flows independent of other assets of the overall business and its fair value cannot be separately estimated. Therefore, it has been tested at a Cash generating Unit level ("level comprising all assets of the business including goodwill"). Goodwill carried as at the balance sheet date represents goodwill acquired in a business combination of the Group with Madhura Microfinance Ltd ('MMFL') and since both are in similar businesses, on merger of MMFL, the Group as a whole has been treated as one Cash Generating Unit (CGU) representing lowest level at which the goodwill is monitored for internal management purposes and the business of erstwhile MMFL and the Group are not treated as two distinct operating segments by the Group. In view of this, CAGL as a whole is valued as one CGU for the purpose of assessing the impairment of goodwill. Basis the assessment no impairment was identified in FY 2023-24 (FY 2022-23: Nil)

The carrying amount of goodwill as at March 31, 2024 is ₹ 375.68 (March 31, 2023: ₹ 375.68).

The recoverable amount of each CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows. Following key assumptions considered by the Management while performing Impairment testing;

Particulars	March 31, 2024
Discount Rate	14%
Terminal Growth rate	5%

The projections cover a period of five years, as the Group believes this to be the most appropriate timescale over which to review and consider annual performances before applying a terminal value multiple to the final year cash flows. The growth rates used to estimate cash flows for the first five years are based on past performance, and on the Group's five-year strategic plan.

Weighted Average Cost of Capital % (WACC) for the Group = Risk free return + (Market risk premium x Beta). The Group has performed sensitivity analysis and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

45 The Group uses accounting software for maintaining its books of account which have a feature of audit trail (edit log) facility at the application level for each change made in the books of account along with such changes made. This feature of audit trail (edit log) facility was operated throughout the year for all the transactions recorded in such software.

The feature of audit trail (edit log) facility at database level was enabled during the month of March 2024 for the loan management system and partly enabled during the month of March 2024 for the general ledger accounting software. Access to the database of all accounting software is available only to database administrators for the limited purpose of its maintenance for which access and monitoring controls are enabled and all such activities of the administrators have been logged and monitored throughout the year through privilege access management tools. Also, no changes have been made to any transaction recorded in the books of account, directly at the database level during the year. The audit trail (edit log) feature has not been tampered with during the year.

46 Other Disclosures

(i) No Benami Property is held by the Group and/or there are no proceedings that have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Group has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

(iii) There were no delay in repayment of borrowings and Subordinated liabilities as at March 31, 2024 and March 31, 2023.

(iv) There are no charges or satisfaction in relation to any debt / borrowings which are yet to be registered with ROC beyond the statutory period.

(v) The Holding Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vi) Other than the transactions that are carried out as part of Group normal lending business:

A) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)

or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)

or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year

(viii There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

(ix) Other litigation:

Demand notice for ₹ 46.02 crores pertaining to AY 2022-23 ha been received from Income Tax department. The Holding Company had submitted modified return giving effect to the merger with Madhura Micro Finance limited ('MMFL'). This was on retrospective basis with effect from April 01, 2020. Merger was approved by the NCLT order dated February 7, 2023. While scrutiny proceedings were carried out based on pre-merger original return, order was passed based on the post-merger modified return without considering the additional deductions claimed by MMFL. In view of this, Holding Company has filed a rectification under section 154 of Income Tax Act and also filed an appeal. The assessment order or demand was concluded or raised without giving an opportunity of being heard. Accordingly, as the demand was calculated based on factually incorrect data, Holding Company has filed a rectification under section 154 of income tax act and also filed for appeal.

Pursuant to the agreement executed one of the business correspondence partners, the Holding Company has exercised the lien and received an amount of ₹ 2.89 crs. This has been challenged by the business correspondence partner in court of law.

With respect to both the above, as per Company's assessment, the probability of the liability devolving on the Company is remote. Accordingly, the same is neither been provided for nor been considered as contingent liability.

(x) Analytical Ratios:

CreditAccess Grameen Limited for March 31, 2024

₹ in crore

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
-Tier I CRAR	5,853.83	26,326.77	22.24%	22.69%	-2.01%	N/A
- Tier II CRAR	236.36	26,326.77	0.90%	0.89%	0.87%	N/A
Liquidity Coverage Ratio	757.41	289.57	261.57%	201.44%	29.85%	$

$ Same is Maintained higer then as per RBI mandate.

CreditAccess Grameen Limited for March 31, 2023

₹ in crore

Ratios	Numerator	Denominator	Current period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
-Tier I CRAR	4,393.04	19,359.74	22.69%	25.87%	-12.28%	N/A
- Tier II CRAR	172.31	19,359.74	0.89%	0.67%	33.52%	#
Liquidity Coverage Ratio	583.31	289.57	201.44%	389.66%	-48.30%	$

increase in stage 1 provisioning %.

$ Same is Maintained higer then as per RBI mandate.

47 Earnings per share (EPS)

The following reflects the profit after tax and equity share data used in the basic and diluted EPS calculations:

Particulars	March 31, 2024	March 31, 2023
Net profit after tax as per statement of profit and loss (₹ in crore)	1,445.93	826.06
Net profit as above for calculation of basic EPS and diluted EPS (₹ in crore)	1,445.93	826.06
Weighted average number of equity shares in calculating basic EPS *	159,100,775	158,735,423
Stock options granted under ESOP	832,149	684,988
Weighted average number of equity shares in calculating diluted EPS	159,932,924	159,420,412
Earnings per share	90.88	52.04
Diluted earnings per share	90.41	51.82
Nominal value per share	10.00	10.00

* Company has considered share issued in business combination transaction while calculating Basic and diluted EPS for the year ended March 31, 2023.

48 Additional Information as required under Schedule III of Companies Act, 2013, of enterprises consolidated as Subsidiary.

Particulars	March 31, 2024		March 31, 2023	
	Net assets,i.e total assets minus total liabilities		Net assets, i.e total assets minus total liabilities	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated net assets	Amount (₹ in crore)
Holding Company				
CreditAccess Grameen Limited	100.00%	6,569.95	100.00%	5,106.94
Subsidiary				
CreditAccess India Foundation	0.00%	0.02	0.00%	0.02
Consolidation adjustment	0.00%	0.01	0.00%	0.01
Total	**100.00%**	**6,569.98**	**100.00%**	**5,106.97**

Particulars	March 31, 2024			
	Share in profit or loss account		Share in total comprehensive income	
	As % of consolidated profit or loss	Amount (₹ in crore)	As % of consolidated other comprehensive Income/(loss)	Amount (₹ in crore)
Holding Company				
CreditAccess Grameen Limited	100.00%	1,445.92	100.00%	(14.69)
Subsidiary				
CreditAccess India Foundation	0.00%	0.00	-	-
Consolidation adjustment	-	-	-	-
Total	**100.00%**	**1,445.93**	**100.00%**	**-14.69**

Particulars	March 31, 2023			
	Share in profit or loss account		Share in total comprehensive income	
	As % of consolidated profit or loss	Amount (₹ in crore)	As % of consolidated other comprehensive Income/(loss)	Amount (₹ in crore)
Holding Company				
CreditAccess Grameen Limited	100.00%	826.03	100.00%	8.41
Subsidiary				
CreditAccess India Foundation	0.00%	0.02	0.00%	-
Consolidation adjustment	0.00%	0.01	0.00%	-
Total	**100.00%**	**826.06**	**100.00%**	**8.41**

49 Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/ disclosure adopted in the current year.

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm's Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545

Place: Bengaluru
Date: May 07, 2024

For Varma & Varma
Chartered Accountants
ICAI Firm's Registration Number: 004532S

K P Srinivas
Partner
Membership No. 208520

Place: Bengaluru
Date: May 07, 2024

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

Udaya Kumar Hebbar
Managing Director
DIN: 07235226

George Joseph
Chairman and Lead Independent Director
DIN: 00253754

Ganesh Narayanan
Chief Executive Officer

S Balakrishna Kamath
Chief Financial Officer

Place: Bengaluru
Date: May 07, 2024

M J Mahadev Prakash
Company Secretary and Chief Compliance officer
Membership No. ACS-16350

CORPORATE INFORMATION

Corporate Information

Directors

Mr. George Joseph	Chairman & Lead Independent Director
Mr. Paolo Brichetti	Vice-Chairman & Non-Executive Director
Mr. Udaya Kumar Hebbar	Managing Director
Mr. Sumit Kumar	Nominee Director
Mr. Massimo Vita	Nominee Director
Ms. Lilian Jessie Paul	Independent Director
Ms. Rekha Gopal Warriar	Independent Director
Mr. Manoj Kumar	Independent Director

Chief Executive Officer

Mr. Ganesh Narayanan

Chief Financial Officer

Mr. S. Balakrishna Kamath

Company Secretary & Chief Compliance Officer

Mr. M. J. Mahadev Prakash

Board Committees

Audit Committee

Ms. Rekha Gopal Warriar (Chairperson w.e.f 07.05.2024)
Mr. George Joseph
Mr. Manoj Kumar
Mr. Massimo Vita

Stakeholders' Relationship Committee

Ms. Lilian Jessie Paul (Chairperson)
Mr. George Joseph
Mr. Udaya Kumar Hebbar

Corporate Social Responsibility & ESG Committee

Mr. Udaya Kumar Hebbar (Chairman)
Mr. Massimo Vita
Mr. Manoj Kumar
Ms. Lilian Jessie Paul

Nomination & Remuneration Committee

Mr. Manoj Kumar (Chairman)
Ms. Lilian Jessie Paul
Mr. Paolo Brichetti

Risk Management Committee

Mr. Massimo Vita (Chairman)
Mr. George Joseph
Mr. Sumit Kumar
Mr. Udaya Kumar Hebbar
Ms. Rekha Gopal Warriar

Asset - Liability Management Committee

Mr. Udaya Kumar Hebbar (Chairman)
Mr. George Joseph
Mr. Sumit Kumar
Mr. Massimo Vita
Mr. Balakrishna Kamath, CFO

IT Strategy Committee

Mr. Manoj Kumar (Chairman)
Mr. Sumit Kumar
Mr. Udaya Kumar Hebbar
Mr. Paolo Brichetti
Mr. Sudesh Puthran, CTO
Mr. Ravi Rathinam, CISO

Executive, Borrowings & Investment Committee

Mr. Udaya Kumar Hebbar (Chairman)
Mr. Manoj Kumar
Mr. Ganesh Narayanan, CEO
Mr. S. Balakrishna Kamath, CFO

Joint Statutory Auditors

PKF Sridhar & Santhanam LLP
Chartered Accountants

Varma & Varma
Chartered Accountants

Secretarial Auditors (For FY24)

M. Damodaran & Associates LLP
Practicing Company Secretaries

Debenture Trustees

Catalyst Trusteeship Limited
GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud
Pune - 411038
Phone: 020-25280081
Email: dt@ctltrustee.com

IDBI Trusteeship Services Limited
GR FLR, Universal Insurance Building, Sir Phirozshah Mehta Road, Fort, Bazargate, Mumbai-400001
Phone: 022-40807000
Email: itsl@idbitrustee.com

Registrar and Transfer Agent

Kfin Technologies Limited
Selenium Tower B, Plot 31-32, Financial District
Nanakramguda, Rangareddi, Hyderabad,
Telangana – 500 032
Phone: (040) 67162222
Email: einward.ris@kfintech.com

Registered Office

No.49, 46th Cross, 8th Block, Jayanagar
Bangalore - 560070

Website:

www.creditaccessgrameen.in

Corporate Identification Number (CIN):

L51216KA1991PLC053425

Great Place To Work®
Certified
FEB 2024-FEB 2025
INDIA

CreditAccess Grameen
Since 1999
25
Years of Excellence & Women Empowerment

Our Brands

Financial Products
- GrameenKoota Micro Finance
- GrameenKoota Retail Finance

CSR Wing
- CreditAccess India Foundation

Customer Awareness Program
- GrameenKoota Jagruti

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linkedin company/cagl
youtube creditaccessgrameen
instagram creditaccessgrameen

Scan the QR code to download the corporate e-brochure

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