

August 01, 2020

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400001
Scrip code: **541770**

National Stock Exchange of India Limited

The Exchange Plaza
Bandra Kurla Complex Bandra
(East) Mumbai 400051
Scrip code: **CREDITACC**

Dear Sir/Madam,

Subject: Press Release –Q1 FY21 Results

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with regard to the financial results for the quarter ended June 30, 2020, please find enclosed the Company's press release for your reference.

Thanking you,

Yours sincerely,

For CreditAccess Grameen Limited

M J Mahadev Prakash
Head - Compliance, Legal & Company Secretary
Membership No: A16350

Our Financial Products



Micro Finance



Retail Finance



CreditAccess Grameen Limited
First Quarter FY20-21 Results

Gross Loan Portfolio up 53.9% YoY to INR 11,724 crore
Borrower Base up 56.4% YoY to 40.1 lakh borrowers
PPOP up 56.2% YoY to INR 256 crore
Consolidated PAT of INR 75 crore

Bengaluru, 1st August 2020: CreditAccess Grameen Limited (NSE: CREDITACC, BSE: 541770, 'CAGL'), country's leading microfinance institution, today announced its unaudited and limited reviewed financial performance for the first quarter of FY20-21.

Consolidated Highlights Q1 FY21:

- Gross loan portfolio grew by **53.9% YoY** from INR 7,619 crore to **INR 11,724 crore**
- Borrowers grew by **56.4% YoY** from 25.6 lakh to **40.1 lakh**
- NII grew by **55.2% YoY** from INR 246.9 crore to **INR 383.2 crore**
- PPOP grew by **56.2% YoY** from INR 163.6 crore to **INR 255.6 crore**
- Total ECL provisions were **INR 476.8 crore** (4.21% of loan portfolio). This includes **additional provisions of INR 152.5 crore during the quarter, on account of COVID-19 impact**, apart from overlay built in for previous comparable risk events in its ECL methodology in FY21
- The total COVID-19 additional provisioning buffer was **INR 245.6 crore** (2.17% of loan portfolio)
- Hence, PBT declined by 32.2% YoY from INR 148.1 crore to **INR 100.5 crore**
- PAT declined by **22.1% YoY** from INR 95.8 crore to **INR 74.6 crore**
- **ROA of 2.2% and ROE of 10.3%**
- Stable asset quality with **GNPA of 1.62% and NNPA of 0.00%**
- Robust liquidity position with **INR 1,377.2 Cr cash / bank balance and liquid investments** as on 30th June 2020, amounting to 10.7% of total assets, which further improved to Rs 1,636 Cr on 30th July 2020.
- Well capitalised with standalone **CRAR of 23.7%**
- **A+ (Stable) Rating affirmed by CRISIL in July**, despite difficult operating environment due to COVID-19 pandemic

Improving Collections Trend

- **On-time centre meetings with >98% customers,**
- **Collection efficiency improved MoM basis despite increased intermittent lockdowns/local restrictions.**
 - CAGL recorded collection efficiency of **74% in June / 76% in July**
 - MMFL (Madura Micro Finance Ltd) recorded collection efficiency of **54% in June / 64% in July**
- **Majority of customers have resumed repayments in June / July**
 - CAGL: **~83%** made full/partial payments in July
 - MMFL: **~78%** made full/partial payments in July



Reduction in Moratorium Book

- With improving collections trend, loan book under moratorium declined in June and July
 - CAGL: Moratorium book down from **100% in April & May** to **26% in June and 24% in July**
 - MMFL: Moratorium book down from **99% in April** to 90% in May, **46% in June and 36% in July**
- The company has built **adequate provisioning cover against moratorium book**
 - CAGL: Provisioning covers **16.4% (June) / 17.7% (July)** of Moratorium Book
 - MMFL: Provisioning covers **6.7% (June) / 8.9% (July)** of Moratorium Book

Key Metrics Q1 FY21:

Particulars	CAGL	MMFL
Gross Loan Portfolio (INR Cr)	9,680	2,044
Borrowers (Lakh) *	28.8	12.0
Branches	929	459
Loan Officers	7,505	1,966
Employees	10,576	3,637

* only 63,604 common borrowers

Particulars (INR Cr)	CAGL	MMFL
Net Interest Income (NII)	322.5	60.7
Pre-Provision Operating Profit (PPOP)	224.5	35.0
Profit Before Tax (PBT)	85.5	18.9
Profit After Tax (PAT)	63.6	14.0

Key Ratios	CAGL	MMFL
Net Interest Margin (NIM)	12.6%	11.5%
Cost/Income Ratio	31.0%	43.0%
Opex/GLP Ratio	4.1%	5.1%
Gross NPA	1.63%	1.58%
Net NPA	0.00%	0.00%
Return on Assets (ROA)	2.2%	2.5%
Return on equity (ROE)	9.4%	13.7%

Commenting on the performance, Mr. Udaya Kumar Hebbar, Managing Director and CEO of CreditAccess Grameen, said, *“We recorded strong business growth, with our standalone loan portfolio up 27.0% YoY to INR 9,680 crore and borrower base up 12.2% YoY to 28.8 lakh borrowers. This was further augmented by MMFL acquisition, leading to consolidated loan portfolio growth of 53.9% YoY to INR 11,724 crore and 56.4% YoY growth in our borrower base to 40.1 lakh.*

Our focus during the first quarter was on stabilising field collections, maintaining continuous customer connect and mobilising sufficient liquidity. Despite several intermittent localised lockdowns / restrictions, we were able to improve our collection efficiency to 74% by June and 76% by July. Even in case of MMFL, there was significant improvement in collection efficiency from 54% in June to 64% in July. This was primarily driven by our highly motivated field force, who made dedicated efforts whilst taking all precautionary / social distancing measures. Our strong customer relationships, deep rural presence and majority of borrowers being engaged in essential activities, helped us to record relatively faster recovery in collections. Disbursements were resumed in the last



week of June and gradually ramped up in July reaching cumulative disbursement of INR 573 Cr in June and July. Our standalone liquidity position remains strong with cash balance of INR 1,420 Cr as on 30th July, on the back of continued support from our lenders and improving collections from field.

Our credit rating was recently affirmed by CRISIL, who rated us A+ (stable outlook) amid current volatile environment caused by COVID-19 pandemic. This underscores our strong business model, robust balance sheet with adequate risk and capital buffers and leadership position in microfinance industry."

About CreditAccess Grameen Limited

CreditAccess Grameen limited is a leading Indian microfinance institution headquartered in Bengaluru, focused on providing micro-loans to women customers predominantly in rural areas across India. The Company is now operating in 230 districts in the 13 states (Karnataka, Maharashtra, Tamil Nadu, Chhattisgarh, Madhya Pradesh, Odisha, Kerala, Goa, Gujarat, Rajasthan, Uttar Pradesh, Bihar and Jharkhand) and one union territory (Puducherry) in India through 929 branches. The Company's Promoter is CreditAccess Asia N.V., a multinational company specializing in MSE financing (micro and small enterprise financing), which is backed by institutional investors and has a micro-lending experience through its subsidiaries in four countries in Asia.

For more information, please contact:

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