



CreditAccess Grameen Limited – First Quarter FY22-23 Results

Portfolio grew 23.3% YoY to INR 15,615 crore
Pre-provision Operating Profit grew 33.9% YoY to INR 290 crore
Profit After Tax grew 588.2% YoY to INR 140 crore
ROA of 3.1%, ROE of 13.4%

Bengaluru, 29th July 2022: CreditAccess Grameen Limited (NSE: CREDITACC, BSE: 541770, 'CA Grameen'), the country's leading microfinance institution, today announced its unaudited and limited reviewed financial performance for the first quarter of the financial year 2022-23.

Consolidated Business Highlights: Q1 FY23

- GLP grew by **23.3% YoY** from INR 12,664 crore to **INR 15,615 crore**
- Disbursements grew by **101.5% YoY** to **INR 2,146 crore**
- Collection Efficiency in Jun-22 at CA Grameen was **97%** (excl. arrears)/**97%** (incl. arrears). **Excluding the non-paying NPA customers**, Collection Efficiency in Jun-22 was **99%** (excl. arrears)/**100%** (incl. arrears)
- Collection Efficiency in Jun-22 at MMFL was **93%** (excl. arrears)/**94%** (incl. arrears). **Excluding the non-paying NPA customers**, Collection Efficiency in Jun-22 was **96%** (excl. arrears)/**97%** (incl. arrears)
- Branch network increased by **18.0% YoY** to **1,681** with **46 net branch additions** primarily in newer markets

Consolidated Financial Highlights: Q1 FY23

- Total income increased by **23.2% YoY** from INR 617.4 crore to **INR 760.5 crore**
- Net interest income (NII) increased by **30.9% YoY** from INR 352.7 crore to **INR 461.5 crore**
- Pre-provision operating profit (PPOP) increased by **33.9% YoY** from INR 216.4 crore to **INR 289.7 crore**
- Impairment of financial instruments declined by **46.3% YoY** from INR 187.9 crore to **INR 100.9 crore**
 - Total ECL provisions were **INR 443.7 crore (3.01%)** against GNPA (**largely @ 60+ dpd**) of **3.11%**, and PAR 90+ of **2.33%**
 - Write-offs were **INR 191.1 crore**
- Profit After Tax (PAT) increased by **588.2% YoY** from INR 20.3 crore to **INR 139.6 crore**
- Liquidity remained strong at **INR 1,541.8 crore** of cash & cash equivalents at the end of Jun-22, amounting to **9.3%** of the total assets
- Healthy capital position with standalone **CRAR of 28.6%** and consolidated **CRAR of 24.7%**
- **Credit Rating upgraded to AA- (Stable)** by India Ratings & Research, the highest notch in the microfinance industry

Key Metrics: Q1 FY23

Particulars	CA Grameen	MMFL	Consolidated
Gross Loan Portfolio (INR Cr)	12,991	2,624	15,615
Borrowers (Lakh) *	28.5	8.7	36.9
Branches	1,207	474	1,681

* 32,522 common borrowers



Particulars (INR Cr)	CA Grameen	MMFL	Consolidated
Net Interest Income (NII)	380.3	81.2	461.5
Pre-Provision Operating Profit (PPOP)	245.7	48.2	289.7
Profit After Tax (PAT)	132.6	10.1	139.6
Key Ratios	CA Grameen	MMFL	Consolidated
Net Interest Margin (NIM)	11.2%	9.9%	11.2%
Cost/Income Ratio	37.9%	43.4%	39.7%
Opex/GLP Ratio	4.5%	5.4%	4.7%
Gross NPA	2.5%	5.8%	3.1%
Provisioning	2.7%	4.3%	3.0%
Return on Assets (ROA)	3.4%	1.4%	3.1%
Return on equity (ROE)	13.2%	10.3%	13.4%

Commenting on the performance, Mr. Udaya Kumar Hebbar, MD and CEO of CreditAccess Grameen, said, *“Our primary focus during Q1 FY23 was on maintaining strong collections trend and ensuring complete alignment with the new microfinance underwriting guidelines announced by the RBI in Mar-22. This involved formulation of necessary board-approved policies, implementation of the required process and technology changes, and extensive training for our large field force. The process transition led to lower disbursements and borrower additions during Apr-22 and May-22. Further, there were limited loan renewals during Q1 FY23 majorly due to minimal disbursements in Q1 FY21 and Q1 FY22 owing to the Covid-19 pandemic. The disbursements and borrower additions got normalised in Jun-22 and we expect to see strong momentum in the coming quarters. We reiterate our annual growth and profitability guidance for FY23.*

We continued to march ahead with our infrastructure expansion plans as our branch network increased to 1,681 on the back of 46 net branch additions during the quarter primarily in newer states. Our diversification strategy is showing positive results with 56% of the borrower additions during Q1 FY23 coming from outside of the top 3 states.

We are happy to announce that we have recently received a credit rating upgrade to 'AA- / Stable', the highest notch in the microfinance industry. We currently charge one of the lowest interest rates to our customers and the future benefits accruing from the rating upgrade shall be gradually passed on to them. We have also been conferred the highest level of recognition, the 'Gold Standard' in Client Protection Principle (CPP) Certification. It is a global framework that determines the degree of client protection practices followed across the loan cycle, in our pursuit of creating capital at the bottom of the pyramid.”

About CreditAccess Grameen Limited

CreditAccess Grameen Limited is a leading Indian microfinance institution headquartered in Bengaluru, focused on providing micro-loans to women customers predominantly in rural areas across India. The Company, on a consolidated basis, is now operating in 332 districts in 14 states (Karnataka, Maharashtra, Tamil Nadu, Chhattisgarh, Madhya Pradesh, Odisha, Kerala, Goa, Gujarat, Rajasthan, Uttar Pradesh, Bihar, Jharkhand, and West Bengal) and one union territory (Puducherry) in India through 1,681 branches. The Company's Promoter is CreditAccess India N.V., a multinational company specializing in micro and small enterprise financing. It is backed by institutional investors and has a micro-lending experience in India of over more than a decade.



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