



CreditAccess Grameen Limited

Q3 & 9M FY21 Investor Presentation

January 2021

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Key Business Updates

Consolidated Results Overview

CAGL: Financial & Operational Metrics

MMFL: Financial & Operational Metrics

Investment Rationale

Annexure



Microfinance Organization of the Year – Two Consecutive Years



CreditAccess Grameen Consecutively Wins the Prestigious 'Microfinance Organization of the Year' Award

The award conferred at the 12th Inclusive Finance India Awards 2020

Business is Back on Pre-COVID Growth Path in Q3 FY21

GLP grew by 39% YoY and 10% QoQ to INR 12,321 Cr

- **New Disbursals (Jun-Dec) account for ~49% of GLP**
- CAGL: 10,203 Cr (+15% YoY, +11% QoQ)
- MMFL: 2,118 Cr (-0.9% YoY, +7% QoQ)

Borrowers grew by 41% YoY and 1% QoQ to 39.06¹ Lakh

- CAGL: 28.37 Lakh (1,65,194 new added in Q3 FY21 vs. 18,447 in Q2 FY21)
- MMFL: 11.31 Lakh (70,120 new added in Q3 FY21 vs. 9,794 in Q2 FY21)

Disbursements grew by 54% YoY and 179% QoQ to INR 4,590 Cr

- CAGL: INR 4,032 Cr (+35% YoY, +184% QoQ)
- MMFL: INR 558 Cr (+9% YoY, +144% QoQ)

Gradual pick-up in monthly collections (excl. arrears/ incl. arrears)

- CAGL: **91%/ 96%** in Dec-20, MMFL: **86%/ 87%** in Dec-20

Early Risk Recognition and Conservative Provisioning

CAGL: Ahead of the industry on risk recognition & provisioning

- ECL of 5.94% against GNPA of 6.84%/ 1.04%² (predominantly @ 60+ dpd)
- By industry norms, ECL would be 5.05% against GNPA of 5.09% (@ 90+ dpd)
- Write-off of INR 111.9 Cr (incl. accelerated write-off of INR 84.7 Cr)
- INR 61.2 Cr interest income (on Stage 3 portfolio) de-recognized in Q3 FY21

MMFL: Gradual Alignment of Provisioning Policy with CAGL

- ECL of 4.60% against GNPA of 2.79%/ 0.23%²
- Write-off of INR 19.9 Cr
- INR 7.3 Cr interest income (on Stage 3 portfolio) de-recognized in Q3 FY21

While this has impacted our profits in Q3 FY21, it will safeguard our profitability over coming quarters with growth already back to normal

Strong Balance Sheet Position to Enable Consistent Growth in Future

Adequate Liquidity & continued support from lenders

- INR 1,586.9 Cr cash & cash equivalents as on 31st December 2020
- INR 1,599 Cr undrawn sanctions as on 31st December 2020
- INR 4,113 Cr sanctions in pipeline as on 31st December 2020

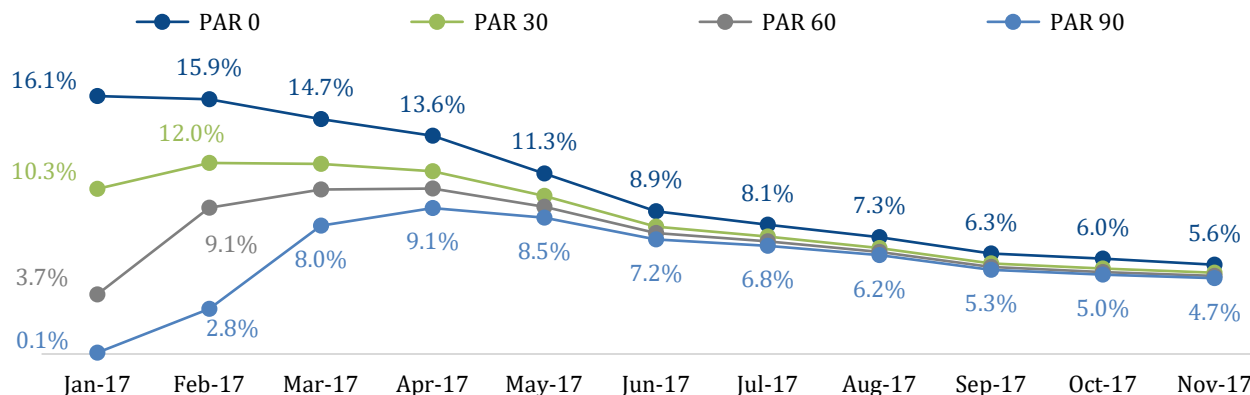
Healthy Capital Position even after early risk recognition and provisioning

- **CRAR: CAGL 31.4% (Tier 1: 30.7%)**
- MMFL 23.3% (Tier 1: 19.2%)
- Strong parentage acting as the potential backstop

1) Excluding 62,002 common borrowers, 2) Considering no change in NPA recognition after 31st August in accordance with hon'ble Supreme Court Order

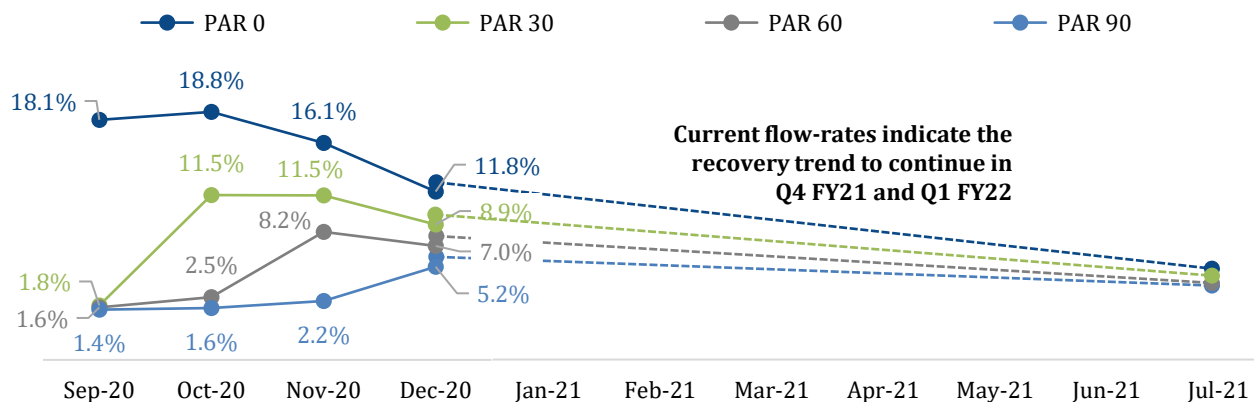
Resilient Business Model Leading to Faster Recovery (CAGL) (1/3)

**Demonetisation
Scenario:
CAGL's
PAR Movement**



**Significant
roll-back in PAR
was witnessed
over three
quarters post
demonetisation**

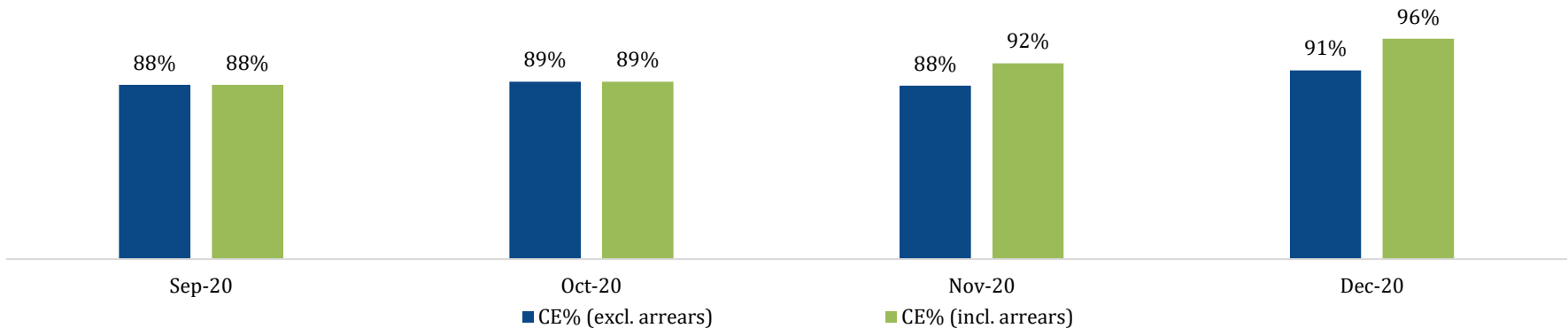
**COVID
Scenario:
CAGL's
PAR Movement**



**Recovery trend
over Sep-20 to
Dec-20 is
similar to the
demonetisation
period**

**Further
improvement
is expected in
Q4 FY21 and
Q1 FY22**

Improvement in Monthly Collections



Reduction in % Portfolio of Non-Paying Customers



Resilient Business Model Leading to Faster Recovery (CAGL) (3/3)

PAR 0	Sep-20	Oct-20	Nov-20	Dec-20	Absolute PAR Reduction Dec-20 vs. Oct-20
Karnataka	14.6%	15.2%	12.6%	8.6%	-40%
Tamil Nadu	10.4%	12.1%	12.2%	10.1%	-8%
Madhya Pradesh	14.6%	15.2%	13.5%	9.8%	-26%
Others	15.6%	15.0%	12.2%	8.3%	-31%
Total (Excl. Maharashtra)	14.0%	14.7%	12.6%	9.0%	-34%
Maharashtra	28.8%	29.6%	25.2%	19.1%	-29%
Total	18.1%	18.8%	16.1%	11.8%	-32%

Dec-20	PAR 60	PAR 90
Karnataka	5.1%	3.6%
Tamil Nadu	3.7%	2.1%
Madhya Pradesh	5.8%	4.3%
Others	4.1%	2.7%
Total (Excl. Maharashtra)	4.9%	3.4%
Maharashtra	12.5%	9.7%
Total	7.0%	5.2%

- **PAR excluding Maharashtra is trending as per management anticipation – reaching near normalcy**
- **In Maharashtra, management expected recovery to be slower by 2-3 months. Current status is in line with management expectation**
- **PAR in Maharashtra is expected to gradually reduce over coming quarter**

Early Risk Recognition & Conservative Provisioning (CAGL)

INR Cr		CAGL Policy (IND-AS)			NBFC Industry Norms (IND-AS)				Additional ECL vs. NBFC Industry
Asset Classification (dpd)		EAD	EAD%	ECL%	Asset Classification (dpd)	EAD	EAD%	ECL%	
Stage 1	0-15 (GL) 0-30 (RF)	9,007.1	90.2%	0.7%	Stage 1: 0-30	9,106.2	91.2%	0.7%	INR 89.9 Cr
Stage 2	16-60 (GL) 31-90 (RF)	298.8	3.0%	16.8%	Stage 2: 31-90	374.6	3.8%	19.4%	
Stage 3	60+ (GL) 90+ (RF)	683.0	6.8%	70.1%	Stage 3: 90+	508.0	5.1%	72.0%	
Total		9,988.8	100%	5.9%		9,988.8	100%	5.0%	

CAGL adopts conservative approach leading to early recognition of risk backed by accelerated provisioning coverage

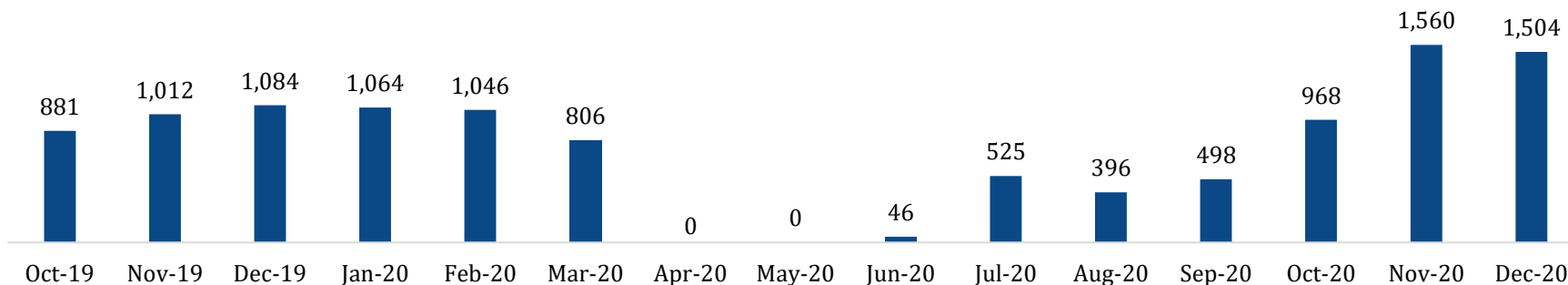
Contribution of Customers as on Dec-20	Stage 1 EAD%	Stage 2 EAD%	Stage 3 EAD%	Total EAD%
Full Payment	88.2%	0.0%	0.0%	88.2%
Partial Payment	1.9%	2.5%	2.5%	6.9%
No Payment	0.1%	0.5%	4.3%	4.9%
Total	90.2%	3.0%	6.8%	100%

- Continued efforts to encourage customers to maintain/ improve the repayment trend
- Additional financing support to customers displaying improving repayment behaviour
- Focus on roll-back of partially paying customers and activation of non-paying customers
- Write-off of INR 111.9 Cr (incl. accelerated write-off of INR 84.7 Cr) in Q3 FY21

EAD: Exposure at default includes principal and accrued interest

New Disbursements Back on Pre-COVID Growth Path (CAGL)

Significant Pickup in Loan Disbursements, back to Pre-COVID Growth Trend... (INR Cr)



...Driven by Growth From Both Mature & New Branches

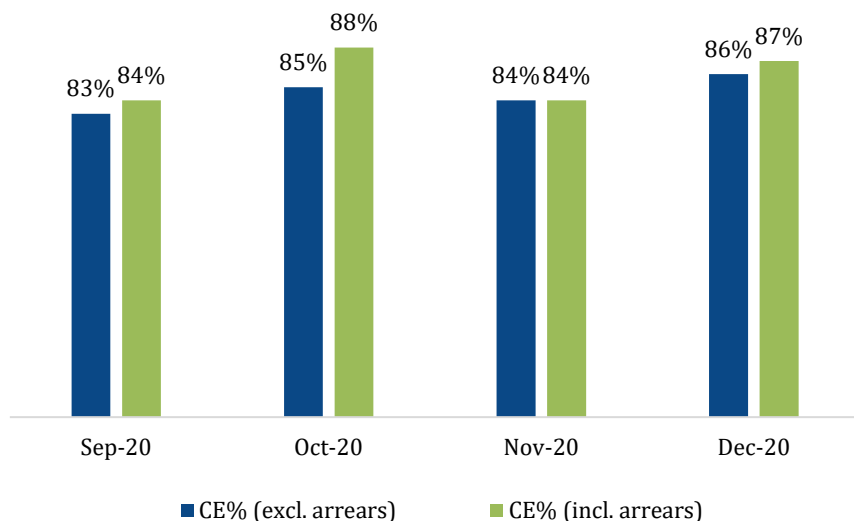
Disbursements (INR Cr)	No. of Branches	Q3 FY20	Q3 FY21	% YoY Growth
Branches opened before FY20	670	2,625	3,456	32%
Branches opened during FY20	259	352	576	64%
Total	929	2,977	4,032	35%

...While Displaying Stable Asset Quality

New Disbursals (Jun-20 to Dec-20)	INR Cr	PAR% as on 17-Jan-21
Regular	5,420.5	98.6%
PAR 0	77.6	1.4%
PAR 30	16.8	0.3%
PAR 60	7.2	0.13%
PAR 90	3.7	0.07%
Total Disbursals	5,498.1	~49% of GLP

Update on Collections & Provisioning at MMFL

Improvement in Monthly Collections



Gradual Alignment of Provisioning Policy with CAGL

INR Cr	MMFL Policy			
Asset Classification (dpd)		EAD	EAD %	ECL%
Stage 1	0-30	1,890.6	90.8%	2.0%
Stage 2	31-90	132.9	6.4%	15.6%
Stage 3	90+	58.1	2.8%	64.0%
Total		2,081.6	100.0%	4.6%

Contribution of Groups as on Dec-20	Stage 1 EAD%	Stage 2 EAD%	Stage 3 EAD%	Total EAD%
Full Payment	85.3%	0.4%	0.1%	85.7%
Partial Payment	5.4%	5.4%	1.3%	12.1%
No Payment	0.1%	0.6%	1.4%	2.2%
Total	90.8%	6.4%	2.8%	100%

- Gradually alignment of ECL with CAGL by building additional provisioning buffer in Stage 1 ECL
- Maintained healthy provisioning % for Stage 2 & 3 Assets despite healthy proportion of partially paying groups

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Business Overview

Annexure



Q3 FY21: Consolidated Performance Highlights

GLP
INR 12,321 Cr
(+38.9% YoY)

Active Borrowers
39.06 Lakh
(+41.0%)

Branches 1,389
(+49.7% YoY)

Employees 14,704
(+40.5% YoY)

PPOP
INR 170 Cr
(-15.0% YoY)

PAT
INR -79 Cr
(-173.3% YoY)

ROA
-2.3%

ROE
-9.4%

Total Equity
INR 3,702 Cr

D/E Ratio
2.6x

GNPA 6.14% / 0.90% *

Provisioning 5.72%

* Considering no change in NPA recognition after 31st August in accordance with hon'ble Supreme Court Order

Q3 FY21: Consolidated P&L Statement

Profit & Loss Statement (INR Cr)	Q3 FY21	Q3 FY20	YoY%	Q2 FY21	QoQ%	9M FY21	9M FY20	YoY%
Interest income	513.2	416.7	23.2%	567.4	-9.5%	1,678.1	1,162.8	44.3%
- Interest on Loans	502.2	411.7	22.0%	556.5	-9.8%	1,649.3	1,137.4	45.0%
- Income from Securitisation	3.2	3.3	-2.6%	4.4	-27.3%	12.0	21.7	-44.7%
- Interest on Deposits with Banks and FIs	7.8	1.7	354.2%	6.5	20.9%	16.8	3.8	346.6%
Income from Direct Assignment	15.1	30.1	-49.9%	0.0	-	33.6	41.5	-19.0%
Finance Cost on Borrowings	224.0	145.4	54.0%	235.2	-4.8%	690.2	397.6	73.6%
Cost on Financial Liability towards Securitisation	0.9	0.4	101.8%	1.3	-32.2%	3.9	7.4	-47.5%
Net Interest Income	303.4	300.9	0.8%	330.9	-8.3%	1,017.5	799.3	27.3%
Non-interest Income & Other Income	14.7	6.8	116.9%	9.6	53.5%	28.2	19.0	48.2%
Total Net Income	318.1	307.7	3.4%	340.5	-6.6%	1,045.8	818.3	27.8%
Employee Expenses	95.0	67.4	40.8%	92.1	3.1%	284.3	191.5	48.5%
Other Expenses	42.4	34.7	22.2%	40.2	5.5%	106.3	93.0	14.3%
Depreciation, Amortisation & Impairment	10.5	5.1	105.5%	11.3	-7.5%	32.4	14.6	122.5%
Pre-Provision Operating Profit	170.3	200.5	-15.0%	196.9	-13.5%	622.7	519.2	19.9%
Impairment of Financial Instruments	275.7	54.7	404.0%	90.2	205.7%	520.9	98.3	429.9%
Profit Before Tax	-105.3	145.8	-172.3%	106.7	-198.7%	101.8	420.9	-75.8%
Total Tax Expense	-26.3	37.9	-169.3%	27.1	-196.9%	26.7	116.4	-77.1%
Profit After Tax before Minority Interest	-79.1	107.8	-173.3%	79.6	-199.4%	75.1	304.6	-75.3%
Minority Interest	-1.8	0.0	-	0.4	-	1.2	0.0	-
Profit After Tax After Minority Interest	-77.3	107.8	-171.7%	79.2	-197.6%	73.9	304.6	-75.7%

Q3 FY21: Consolidated Balance Sheet

Balance Sheet (INR Cr)	Q3 FY21	Q3 FY20	YoY%	Q2 FY21	QoQ%
Cash & Other Bank Balances	1,586.9	974.2	62.9%	1,855.4	-14.5%
Loans					
- Balance sheet assets (Net of Impairment Loss Allowance)	11,221.0	8,101.5	38.5%	10,137.2	10.7%
- Securitised assets	32.6	11.2	190.5%	60.3	-46.1%
Property, plant and equipment	24.9	24.4	2.0%	27.0	-7.9%
Intangible assets	167.1	12.9	1196.1%	168.1	-0.6%
Right to use assets	59.1	54.9	7.7%	61.7	-4.1%
Other Financial & Non-Financial Assets	242.0	154.4	56.7%	231.3	4.6%
Goodwill	317.6	0.0	-	317.6	0.0%
Total Assets	13,651.0	9,333.4	46.3%	12,858.6	6.2%
Debt Securities	1,502.4	584.0	157.3%	1,466.1	2.5%
Borrowings (other than debt securities)	8,045.7	5,822.6	38.2%	7,936.2	1.4%
Subordinated Liabilities	108.5	25.0	334.0%	106.5	1.8%
Financial liability towards Portfolio securitised	23.6	7.4	217.6%	47.2	-50.1%
Lease liabilities	65.9	59.9	10.0%	68.3	-3.6%
Other Financial & Non-financial Liabilities	203.2	166.8	21.8%	239.1	-15.0%
Total Equity	3,593.1	2,667.7	34.7%	2,883.7	24.6%
Minority Interest	108.6	0.0	-	111.3	-2.4%
Total Liabilities and Equity	13,651.0	9,333.4	46.3%	12,858.6	6.2%

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Investment Rationale

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Q3 FY21: CAGL Standalone Performance Highlights

GLP
INR 10,203 Cr
(+15.0% YoY)

NIM
8.7 %¹ (9.1% adjusted for
higher liquidity impact)

Weighted Avg. COB
9.4%

Cost/Income Ratio
43.5%

Opex/GLP Ratio
4.7%

PPOP
INR 147 Cr
(-26.7% YoY)

PAT
INR -72 Cr
(-166.4% YoY)

ROA
-2.5%

ROE
-9.0%

Capital Adequacy Ratio
31.4%

Tier 1 Ratio
30.7%

Total Equity
INR 3,524 Cr

D/E Ratio
2.2x

GNPA
(GL: 60+ dpd, RF: 90+ dpd)
6.84%/ 1.04%²

Provisioning 5.94%

Accelerated Write-off
INR 84.7 Cr

Branches 929
(+0.1% YoY)

Employees 10,912
(+4.3% YoY)

Active Borrowers
28.37 Lakh
(+2.4%)

1) INR 61.2 Cr interest income (on Stage 3 portfolio) de-recognized in Q3 FY21

2) Considering no change in NPA recognition after 31st August in accordance with hon'ble Supreme Court Order

Q3 FY21: CAGL Standalone P&L Statement

Profit & Loss Statement (INR Cr)	Q3 FY21	Q3 FY20	YoY%	Q2 FY21	QoQ%	9M FY21	9M FY20	YoY%	FY20
Interest income	413.0	416.7	-0.9%	464.5	-11.1%	1,366.6	1,162.8	17.5%	1,617.2
- Interest on Loans	406.8	411.7	-1.2%	459.3	-11.4%	1,353.9	1,137.4	19.0%	1,588.8
- Income from Securitisation	0.0	3.3	-100.0%	0.0	-	0.0	21.7	-100.0%	22.3
- Interest on Deposits with Banks and FIs	6.1	1.7	255.3%	5.3	16.6%	12.7	3.8	236.8%	6.1
Income from Direct Assignment	15.1	30.1	-49.9%	0.0	-	33.6	41.5	-19.0%	41.3
Finance Cost on Borrowings	179.9	145.4	23.7%	191.7	-6.2%	556.7	397.6	40.0%	563.9
Cost on Financial Liability towards Securitisation	0.0	0.4	-100.0%	0.0	-	0.0	7.4	-100.0%	8.8
Net Interest Income	248.2	300.9	-17.5%	272.8	-9.0%	843.4	799.3	5.5%	1,085.9
Non-interest Income & Other Income	12.1	6.8	78.4%	6.9	75.7%	22.1	19.0	16.0%	25.8
Total Net Income	260.3	307.7	-15.4%	279.7	-6.9%	865.5	818.3	5.8%	1,111.7
Employee Expenses	74.2	67.4	10.0%	72.5	2.4%	223.4	191.5	16.6%	259.6
Other Expenses	33.8	34.7	-2.6%	31.0	9.0%	83.7	92.9	-10.1%	127.3
CAGL-MMFL Merger - Transaction Costs	0.0	0.0	-	0.0	-	0.0	0.0	-	15.2
Depreciation, Amortisation & Impairment	5.3	5.1	4.1%	6.1	-13.2%	16.9	14.6	15.8%	19.6
Pre-Provision Operating Profit	147.0	200.5	-26.7%	170.1	-13.6%	541.6	519.4	4.3%	689.9
Impairment of Financial Instruments	242.4	54.7	343.1%	65.3	271.1%	446.7	98.3	354.4%	156.1
Profit Before Tax	-95.4	145.8	-165.4%	104.8	-191.0%	94.9	421.1	-77.4%	450.9
Total Tax Expense	-23.8	37.9	-162.7%	26.7	-189.2%	24.8	116.4	-78.7%	123.4
Profit After Tax	-71.6	107.8	-166.4%	78.1	-191.6%	70.1	304.7	-77.0%	327.5
Key Ratios	Q3 FY21	Q3 FY20		Q2 FY21		9M FY21	9M FY20		FY20
Portfolio Yield	16.3%	19.7%		19.7%		18.5%	19.6%		19.4%
Cost of Borrowings	9.4%	10.0%		9.6%		9.5%	10.1%		9.9%
NIM	8.7%*	12.4%		11.1%*		10.6%*	12.4%		12.2%
Cost/Income Ratio	43.5%	34.8%		39.2%		37.4%	36.6%		36.6%
Opex/GLP Ratio	4.7%	5.1%		4.6%		4.4%	5.1%		4.9%

* NIM of 9.1% in Q3 FY21, 11.7% in Q2 FY21 and 10.9% in 9M FY21, adjusted for negative carry impact on account of higher liquidity position on balance sheet

Q3 FY21: CAGL Standalone Balance Sheet

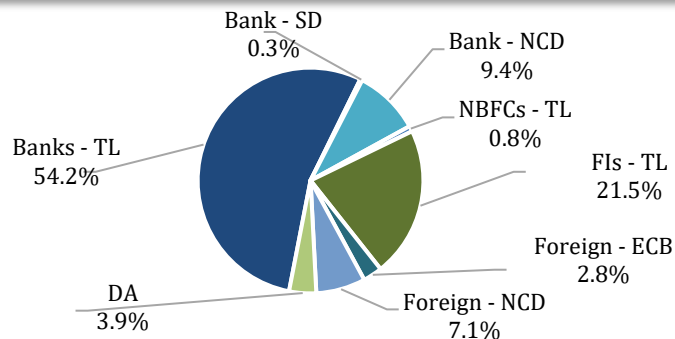
Balance Sheet (INR Cr)	Q3 FY21	Q3 FY20	YoY%	Q2 FY21	QoQ%	9M FY21	9M FY20	FY20
Cash & Other Bank Balances	1,322.6	974.2	35.8%	1,662.0	-20.4%	1,322.6	974.2	580.4
Loans								
- Balance sheet assets (Net of Impairment Loss Allowance)	9,273.7	8,101.5	14.5%	8,377.8	10.7%	9,273.7	8,101.5	9,172.6
- Securitised assets	0.0	11.2	-100.0%	0.0	-	0.0	11.2	0.0
Property, plant and equipment	19.2	24.4	-21.1%	20.8	-7.7%	19.2	24.4	24.2
Intangible assets	16.1	12.9	25.1%	13.4	20.4%	16.1	12.9	12.3
Right to use assets	58.1	54.9	5.9%	60.4	-3.8%	58.1	54.9	52.9
Other Financial & Non-Financial Assets	238.2	154.4	54.2%	191.2	24.6%	238.2	154.4	157.9
Investment in MMFL	662.9	0.0	-	661.3	0.3%	662.9	0.0	661.2
Total Assets	11,590.9	9,333.4	24.2%	10,986.9	5.5%	11,590.9	9,333.4	10,661.7
Debt Securities	1,336.7	584.0	128.9%	1,303.5	2.5%	1,336.7	584.0	638.2
Borrowings (other than debt securities)	6,464.4	5,822.6	11.0%	6,572.1	-1.6%	6,464.4	5,822.6	7,159.4
Subordinated Liabilities	25.0	25.0	0.0%	25.0	0.0%	25.0	25.0	25.0
Financial liability towards Portfolio securitised	0.0	7.4	-100.0%	0.0	-	0.0	7.4	0.0
Lease liabilities	64.7	59.9	8.0%	66.6	-2.9%	64.7	59.9	60.1
Other Financial & Non-financial Liabilities	175.8	166.8	5.4%	210.9	-16.7%	175.8	166.8	109.9
Total Equity	3,524.3	2,667.7	32.1%	2,808.6	25.5%	3,524.3	2,667.7	2,669.1
Total Liabilities and Equity	11,590.9	9,333.4	24.2%	10,986.9	5.5%	11,590.9	9,333.4	10,661.7
Key Ratios	Q3 FY21	Q3 FY20		Q2 FY21		9M FY21	9M FY20	FY20
ROA	-2.5%	4.6%		2.7%		0.8%	4.7%	3.6%
D/E	2.2	2.4		2.8		2.2	2.4	2.9
ROE	-9.0%	16.5%		11.3%		3.2%	16.2%	12.9%
GNPA (GL: 60+ dpd, RF: 90+ dpd)	6.84%/ 1.04%*	0.82%		1.64%/ 1.50%*		6.84%/ 1.04%*	0.82%	0.59%
Provisioning ¹	5.94%	1.58%		5.18%		5.94%	1.58%	1.14%

* Considering no change in NPA recognition after 31st August in accordance with hon'ble Supreme Court Order

1) Provisioning including management overlay

Q3 FY21: Well-Diversified Liability Mix

Liability Mix - Institution / Instrument Wise (%)

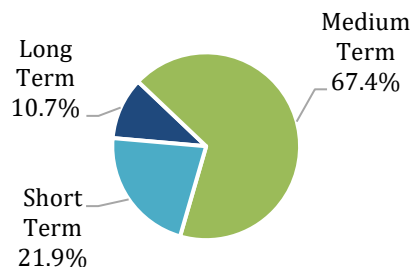


Note: O/S Direct Assignment (Sold Portion) - INR 312.0 Cr

Focus on dynamic liability management

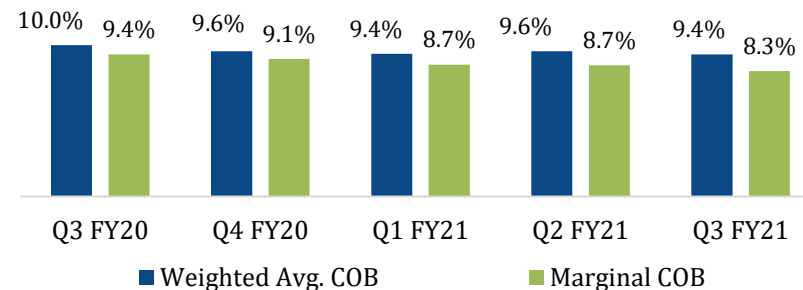
- Focus on long-term funding with a mix of domestic & foreign sources
- Target to meet funding requirement through foreign/longer term sources over medium term
- Diverse lenders' base:
 - 34 Commercial Banks, 3 Financial Institutions, 9 Foreign Institutional Investors, 1 NBFCs
- Strong parentage of CreditAccess India providing access to diverse global lender base

Liability Mix - Tenure Wise (%)



	Source	% Mix
Short Term <= 1 year	Domestic	8.2%
	Foreign	2.5%
Medium Term > 1 year, <= 3 years	Domestic	61.1%
	Foreign	6.3%
Long Term > 3 years	Domestic	16.6%
	Foreign	5.3%

Cost of Borrowing (%)



Q3 FY21: Stable Liquidity / ALM Position Backed by Continued Support from Lenders

Static Liquidity / ALM Position Particulars (INR Cr)	For the month			For Financial Year	
	Jan-21	Feb-21	Mar-21	FY22	FY23
Opening Cash & Equivalents (A)	1,319.5	1,371.3	1,667.8	1,878.2	4,284.4
Loan recovery [Principal] (B)	641.4	611.5	688.2	6,166.1	1,971.9
Total Inflow (C=A+B)	1,960.9	1,982.8	2,356.0	8,044.2	6,256.3
Borrowing Repayment [Principal]					
Term loans and Others (D)	520.5	277.0	413.3	3,129.6	1,409.0
NCDs (E)	24.2	0.0	30.0	362.2	449.6
Securitisation and DA (F)	44.9	38.0	34.5	268.1	1.3
Total Outflow G=(D+E+F)	589.6	315.1	477.8	3,759.8	1,859.8
Closing Cash & equivalents (H= C-G)	1,371.3	1,667.8	1,878.2	4,284.4	4,396.4
Static Liquidity (B-G)	51.8	296.5	210.4	2,406.2	112.1

Debt Drawdowns (INR Cr)	Q3 FY21
FIs – SLS	0.0
Banks – TL	966.2
Banks – DA	0.0
Banks – TLTRO	225.0
Banks – PCGS	0.0
Banks – CPs	0.0
Total	1,191.2

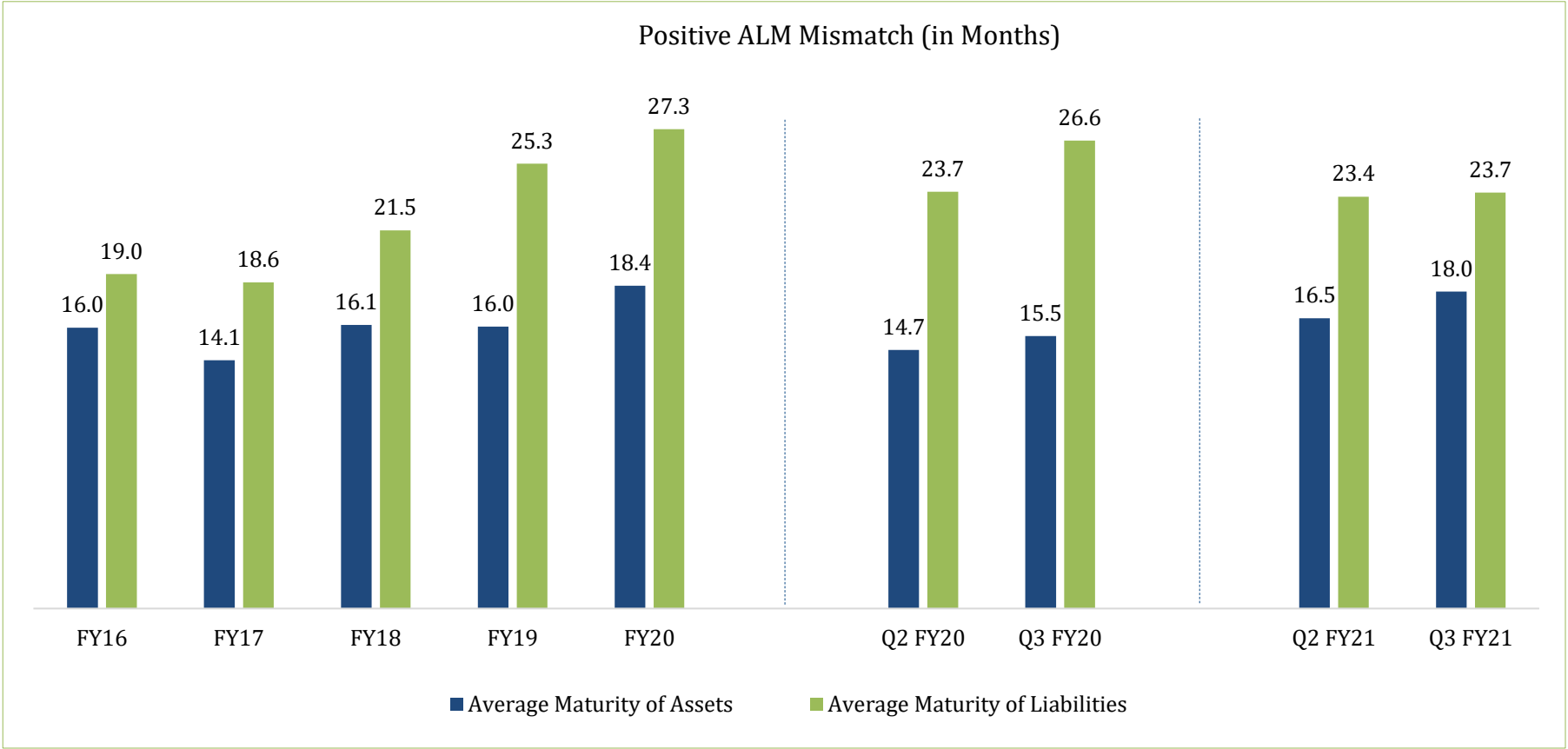
Undrawn Sanctions as on 31st December 2020

INR 1,499 Cr

Sanctions in pipeline as on 31st December 2020

INR 2,808 Cr

Q3 FY21: Positive ALM Continues To Contribute Growth



Q3 FY21: Stable Credit Ratings

Rating Instrument	Rating Agency	Q3 FY20 Rating/Grading	Q3 FY21 Rating/Grading
Bank facilities	CRISIL	-	A+ (Stable)
	ICRA	A+ (Stable)	A+ (Stable)
	Ind-Ra	-	A+ (Stable)
Non-convertible debentures	CRISIL	-	A+ (Stable)
	ICRA	A+ (Stable)	A+ (Stable)
	Ind-Ra	-	A+ (Stable)
Subordinated debt	ICRA	A+ (Stable)	A+ (Stable)
Commercial Paper	ICRA	A1+	A1+
Comprehensive Microfinance Grading(Institutional Grading/Code of Conduct Assessment (COCA))	CRISIL/SMERA	M1C1	M1C1
Social Rating	M-CRIL	$\sum\alpha$	$\sum\alpha$
Social Bond Framework	Sustainalytics	-	Certified

1) As per SIDBI guidelines, comprehensive Microfinance grading should be done by the same organization (CRISIL is our rating agency)

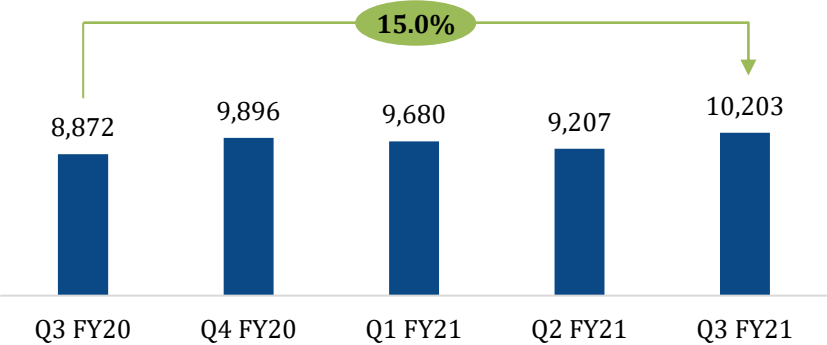
M1 - Microfinance Institutional Grading – Reflects CRISIL’s opinion on the ability of an MFI to conduct its operations in a scalable and sustainable manner

C1 - Social Rating – Expert opinion in the social performance of a financial institution , and likelihood that it meets social goals in line with accepted social values

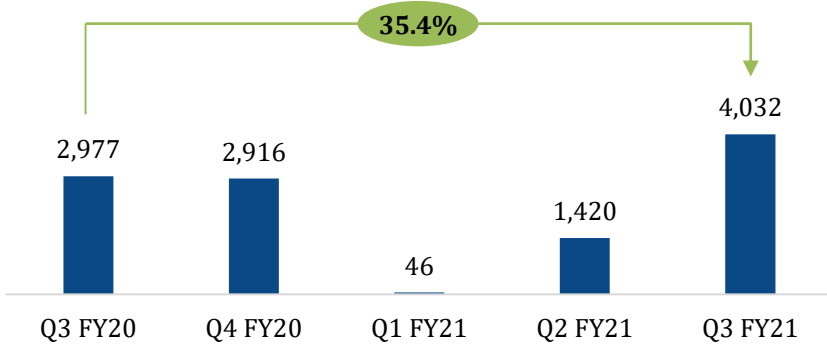
2) CAGL has developed the Social Bond Framework under which it intends to issue social bonds to global investors. CAGL had engaged Sustainalytics to review the Social Bond Framework, dated November 2019 and provide a second-party opinion on the Framework’s social credentials and its alignment with the Social Bond Principles 2018 (SBP). Sustainalytics is of the opinion that the CAGL’s Social Bond Framework is credible and impactful and aligns with the four core components of the SBP

Q3 FY21: Robust Quarterly Performance Trend (1/2)

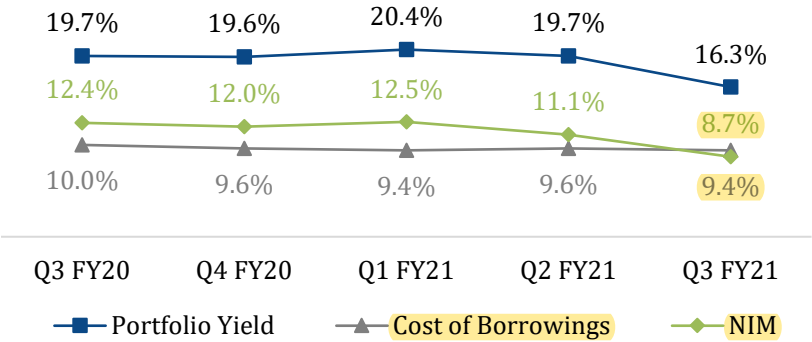
Gross Loan Portfolio (GLP) (INR Cr)



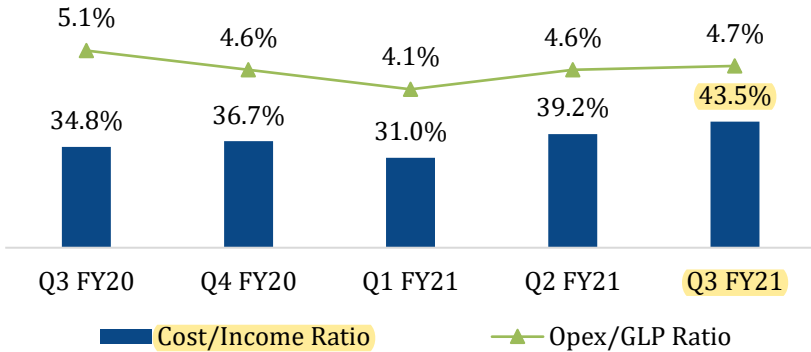
Disbursements (INR Cr)



Margin Analysis (%)

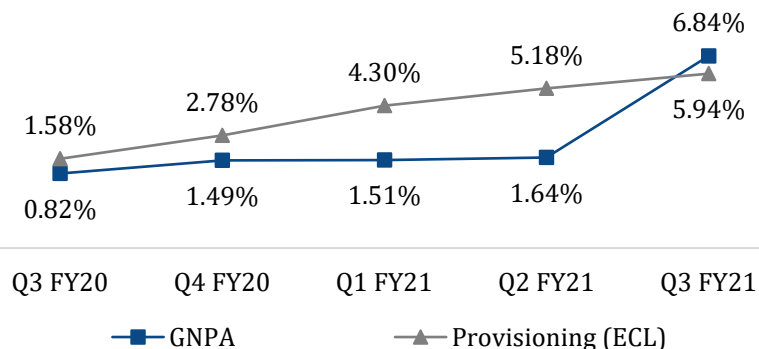


Operating Efficiency (%)

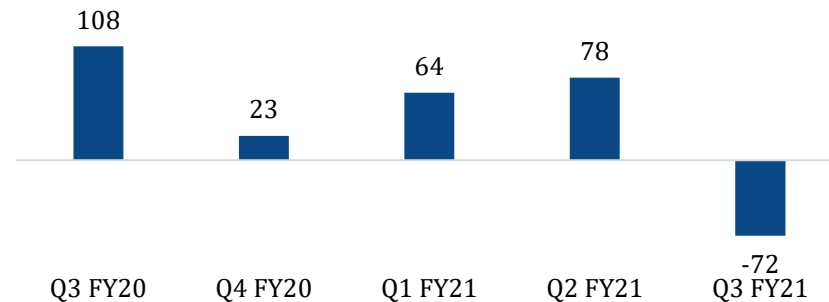


Q3 FY21: Robust Quarterly Performance Trend (2/2)

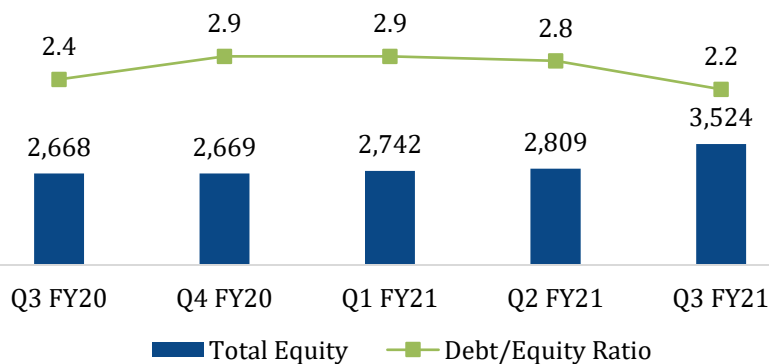
Asset Quality (%)



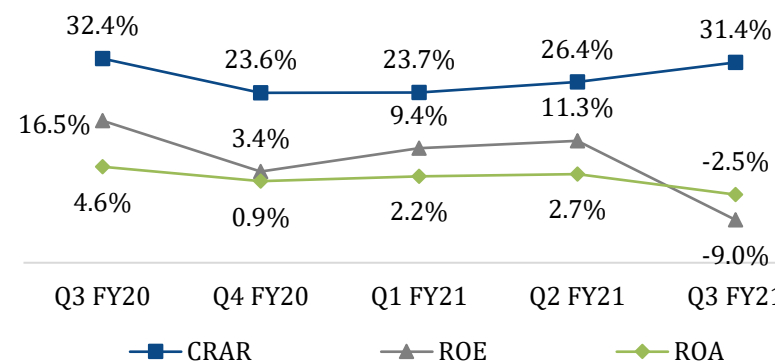
PAT (INR Cr)



Total Equity (INR Cr) & Debt/Equity Ratio

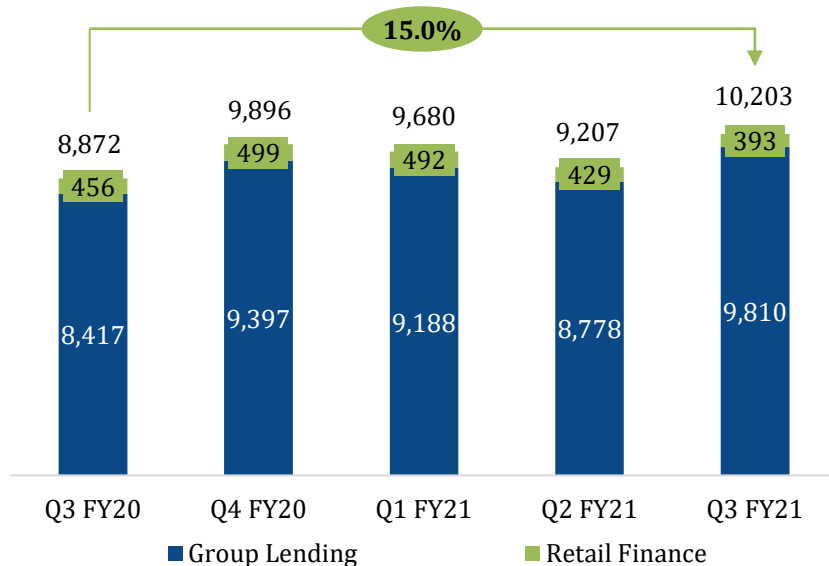


Return Ratios & Capital Adequacy (%)



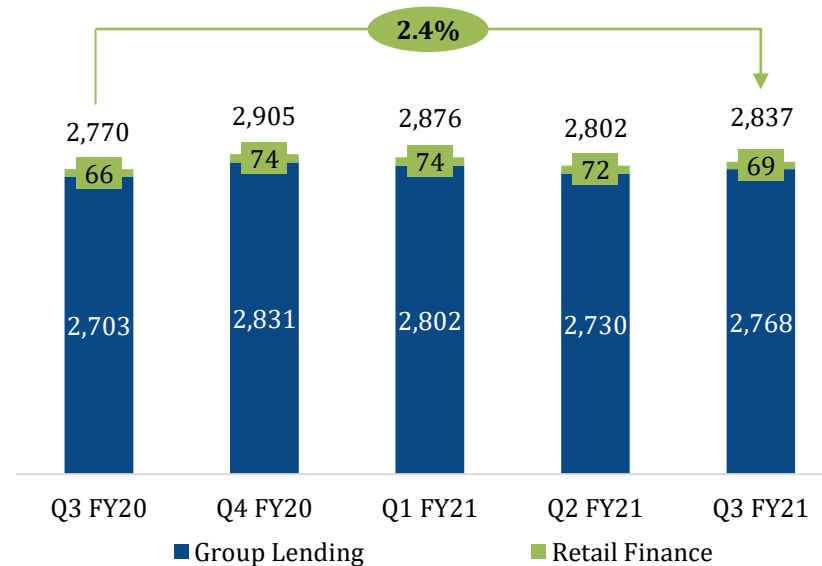
Q3 FY21: Strong Business Traction With Rural Focus...

Gross Loan Portfolio (GLP) (INR Cr)



- Strong focus on non-urban geographies with 83% borrowers
- Group Lending (GL) 96.1%, Retail Finance (RF) 3.9%
- GL Loan Usage – Animal Husbandry 46.2%, Trading 24.5%, Partly Agri related 14.9%, Production 8.2%, Housing 2.2%, Others 4.0%

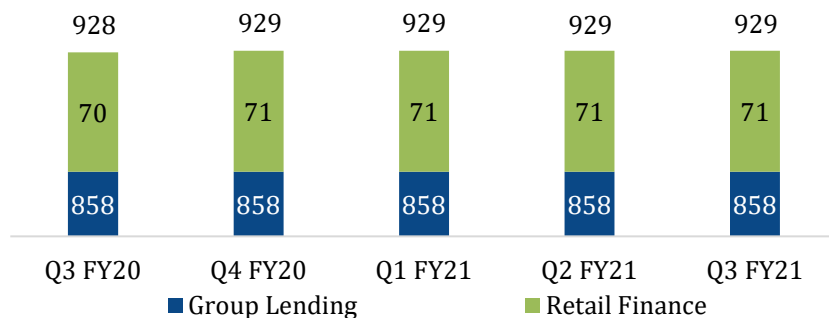
Borrowers ('000)



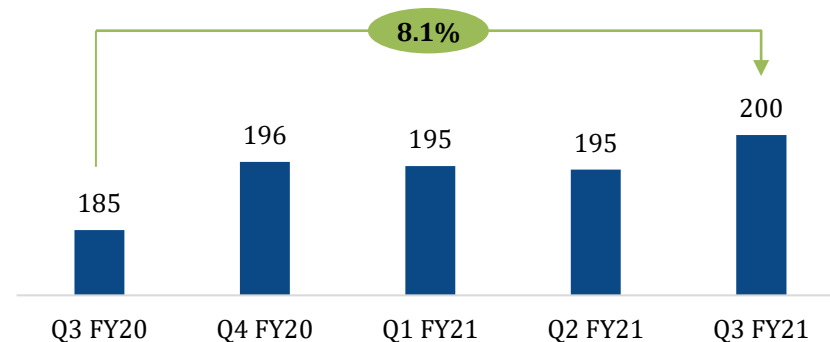
- 10.5 Lakh GL borrowers have completed 3 years, with strong client retention
- Collection frequency: GL (56.7% weekly, 39.6% bi-weekly, 3.7% monthly), RF (100% monthly)

Q3 FY21: ...Backed by Consistent Growth In Infrastructure

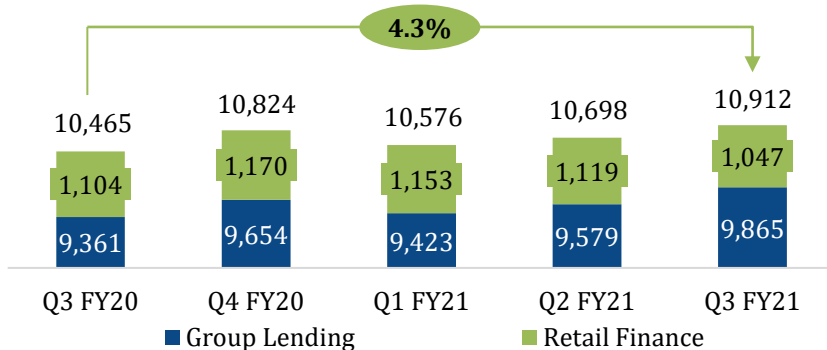
Branches



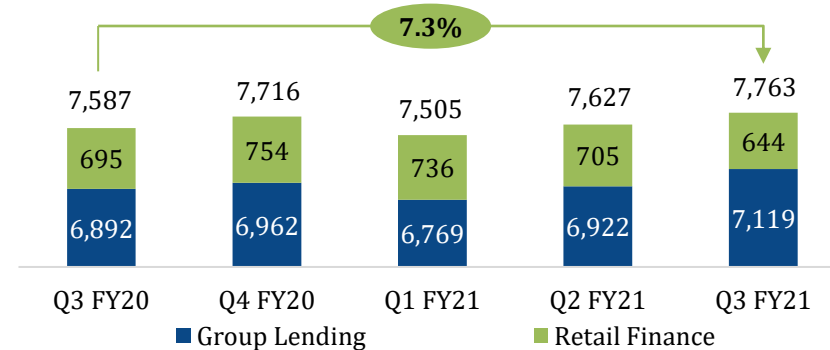
Kendras (Group Lending) ('000)



Employees

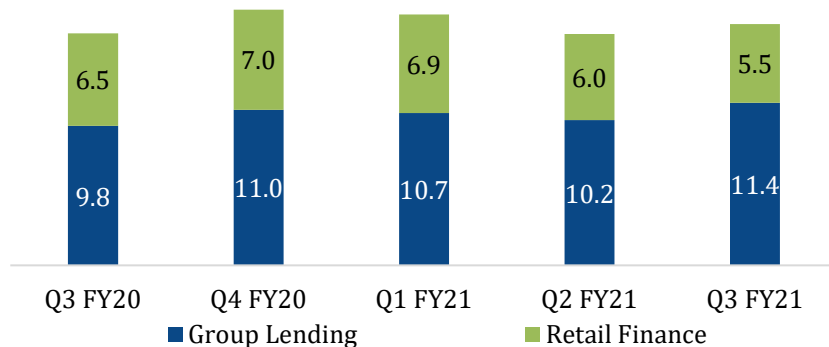


Loan Officers

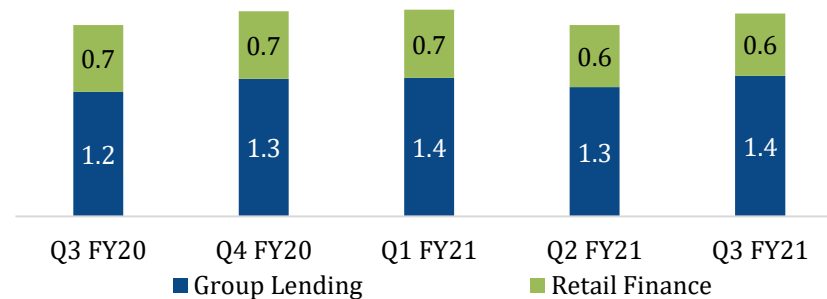


Q3 FY21: ...Along With Sustainable Productivity

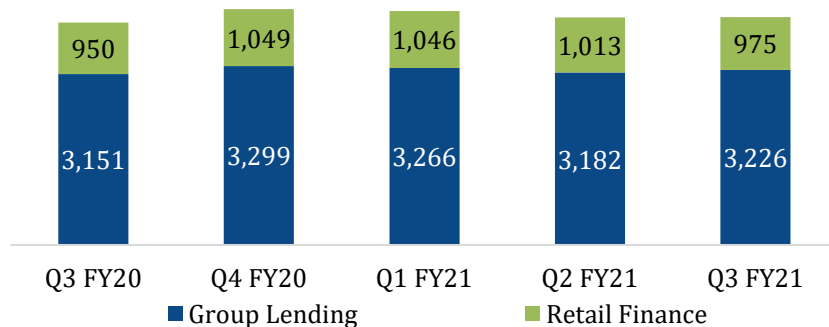
GLP / Branch (INR Cr)



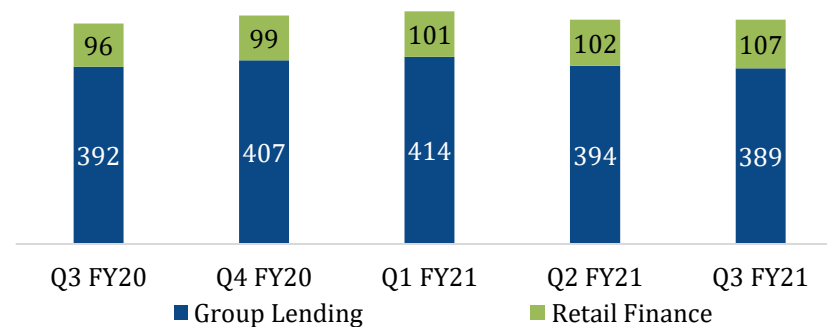
GLP / Loan Officer (INR Cr)



Borrowers / Branch



Borrowers / Loan Officer



Q3 FY21: ...Product Range To Meet Diverse Customer Needs

GLP - Product Mix	Q3 FY20		Q4 FY20		Q1 FY21		Q2 FY21		Q3 FY21	
	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total	(INR Cr)	% of Total
IGL	7,541	85%	8,447	85%	8,278	86%	8,096	88%	9,381	92%
Family Welfare	249	3%	168	2%	146	2%	67	1%	35	0%
Home Improvement	612	7%	770	8%	753	8%	608	7%	388	4%
Emergency	14	0%	13	0%	11	0%	7	0%	5	0%
Retail Finance	456	5%	499	5%	492	5%	429	5%	393	4%
Total	8,872	100%	9,896	100%	9,680	100%	9,207	100%	10,203	100%

GLP - Avg. O/S Per Loan (INR '000)	Q3 FY20		Q4 FY20		Q1 FY21		Q2 FY21		Q3 FY21	
IGL	21.4		22.2		21.9		21.7		25.7	
Family Welfare	4.8		3.0		2.7		2.2		2.6	
Home Improvement	8.0		8.8		8.8		8.2		8.0	
Emergency	0.6		0.6		0.6		0.6		0.5	
Retail Finance	67.6		66.5		65.8		59.0		54.3	
Total	17.3		17.9		17.8		18.6		23.0	

GLP - Avg. O/S Per Borrower (INR '000)	Q3 FY20		Q4 FY20		Q1 FY21		Q2 FY21		Q3 FY21	
Group Lending	31.1		33.2		32.8		32.2		35.4	
Retail Finance	68.6		67.0		66.3		59.7		56.8	

Q3 FY21: District Wise Exposure Trend

Portfolio Exposure of Districts (% of Portfolio)	Q3 FY20		Q4 FY20		Q1 FY21		Q2 FY21		Q3 FY21	
	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts
< 0.5%	180	78%	179	78%	179	78%	179	78%	181	78%
0.5% - 1%	16	7%	19	8%	19	8%	19	8%	17	7%
1% - 2%	24	10%	22	10%	22	10%	23	10%	24	10%
2% - 4%	9	4%	9	4%	9	4%	8	3%	8	3%
> 4%	1	0%	1	0%	1	0%	1	0%	1	0%
Total	230	100%	230	100%	230	100%	230	100%	231	100%

Borrowers Exposure of Districts (% of Borrowers)	Q3 FY20		Q4 FY20		Q1 FY21		Q2 FY21		Q3 FY21	
	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts
< 0.5%	174	76%	175	76%	175	76%	177	77%	177	77%
0.5% - 1%	22	10%	22	10%	22	10%	20	9%	21	9%
1% - 2%	27	12%	26	11%	26	11%	26	11%	27	12%
2% - 4%	7	3%	7	3%	7	3%	7	3%	6	3%
> 4%	-	0%	-	0%	-	0%	-	0%	-	0%
Total	230	100%	230	100%	230	100%	230	100%	231	100%

District in terms of GLP	Q3 FY20		Q4 FY20		Q1 FY21		Q2 FY21		Q3 FY21	
	% of Total GLP	Contribution to QoQ Growth %	% of Total GLP	Contribution to QoQ Growth %	% of Total GLP	Contribution to QoQ Growth %	% of Total GLP	Contribution to QoQ Growth %	% of Total GLP	Contribution to QoQ Growth %
Top 1	5%	3%	4%	2%	4%	-5%	4%	-8%	4%	3%
Top 3	12%	8%	12%	7%	11%	-13%	11%	-17%	11%	9%
Top 5	18%	13%	17%	11%	17%	-19%	17%	-19%	17%	14%
Top 10	30%	22%	29%	20%	29%	-29%	29%	-31%	28%	23%
Other	70%	78%	71%	80%	71%	-71%	71%	-69%	72%	77%

Key Business Updates

Consolidated Results Overview

CAGL: Financial & Operational Metrics

MMFL: Financial & Operational Metrics

Investment Rationale

Annexure



Q3 FY21: MMFL Performance Highlights

GLP
INR 2,118 Cr
(-0.9% YoY)

NIM
10.2%¹ (10.6% adjusted
for higher liquidity impact)
Weighted Avg. COB
10.8%

Cost/Income Ratio
52.6%
Opex/GLP Ratio
5.9%

PPOP
INR 27 Cr
(-29.3%)

PAT
INR -4 Cr (-124.9% YoY)

ROA
-0.8%
ROE
-4.2%

Capital Adequacy Ratio
23.3%
Tier 1 Ratio
19.2%

Total Equity
INR 415 Cr
D/E Ratio
4.4x

GNPA (90+ dpd)
2.79%/ 0.23%²

Provisioning
4.60%

Branches 460
(+2.4% YoY)
Employees 3,792
(+4.7% YoY)

Active Borrowers
11.31 Lakh
(-3.7%)

1) INR 7.3 Cr interest income (on Stage 3 portfolio) de-recognized in Q3 FY21

2) Considering no change in NPA recognition after 31st August in accordance with hon'ble Supreme Court Order

Q3 FY21: MMFL P&L Statement

Profit & Loss Statement (INR Cr)	Q3 FY21	Q3 FY20	YoY%	Q2 FY21	QoQ%	9M FY21	9M FY20	YoY%	FY20
Interest income	100.3	116.8	-14.2%	102.9	-2.6%	311.2	336.9	-7.6%	454.9
- Interest on Loans	96.4	110.3	-12.6%	97.3	-0.9%	295.1	314.4	-6.1%	422.3
- Income from Securitisation	2.2	5.6	-60.7%	4.4	-49.8%	12.0	18.8	-36.3%	27.6
- Interest on Deposits with Banks and FIs	1.7	1.0	72.0%	1.2	38.8%	4.1	3.8	9.1%	5.0
Income from Direct Assignment	0.0	4.2	-100.0%	0.0	-	0.0	4.2	-100.0%	10.4
Finance Cost on Borrowings	44.1	46.8	-5.7%	44.3	-0.5%	134.2	137.3	-2.3%	185.5
Cost on Financial Liability towards Securitisation	0.9	2.3	-60.5%	1.4	-33.8%	4.0	8.1	-50.7%	10.0
Net Interest Income	55.2	72.0	-23.3%	57.2	-3.4%	173.1	195.7	-11.6%	269.8
Non-interest Income & Other Income	2.6	1.8	47.9%	2.7	-0.9%	6.1	7.9	-22.6%	10.6
Total Net Income	57.9	73.8	-21.5%	59.8	-3.3%	179.2	203.7	-12.0%	280.4
Employee Expenses	20.8	17.9	15.9%	19.6	5.8%	60.9	48.1	26.7%	67.4
Other Expenses	8.6	9.7	-11.5%	9.2	-6.5%	22.6	27.8	-18.6%	38.3
CAGL-MMFL Merger - Transaction Costs	0.0	5.9	-	0.0	-	0.0	5.9	-	6.1
Depreciation, Amortisation & Impairment	1.1	1.4	-23.7%	1.1	-2.6%	3.3	3.8	-13.1%	5.1
Pre-Provision Operating Profit	27.5	38.8	-29.3%	30.0	-8.3%	92.4	118.1	-21.8%	163.6
Impairment of Financial Instruments	33.3	14.2	134.5%	25.0	33.9%	74.3	34.7	114.3%	57.1
Profit Before Tax	-5.8	24.6	-123.6%	5.0	-214.9%	18.1	83.4	-78.3%	106.4
Total Tax Expense	-1.5	7.1	-120.6%	1.3	-210.5%	4.8	28.9	-83.5%	26.7
Profit After Tax	-4.4	17.6	-124.9%	3.7	-216.5%	13.4	54.6	-75.5%	79.7
Key Ratios	Q3 FY21	Q3 FY20		Q2 FY21		9M FY21	9M FY20		FY20
Portfolio Yield	19.4%	21.5%		20.8%		20.2%	22.0%		21.9%
Cost of Borrowings	10.8%	11.5%		10.9%		11.0%	11.6%		11.6%
NIM	10.2%*	11.9%		11.2%*		10.8%*	11.8%		11.9%
Cost/Income Ratio	52.6%	39.4%		50.0%		48.4%	39.1%		39.5%
Opex/GLP Ratio	5.9%	5.5%		5.9%		5.6%	5.5%		5.5%

* NIM of 10.6% in Q3 FY21, 11.6% in Q2 FY21 and 11.1% in 9M FY21, adjusted for negative carry impact on account of maintaining higher liquidity position on balance sheet

Q3 FY21: MMFL Balance Sheet

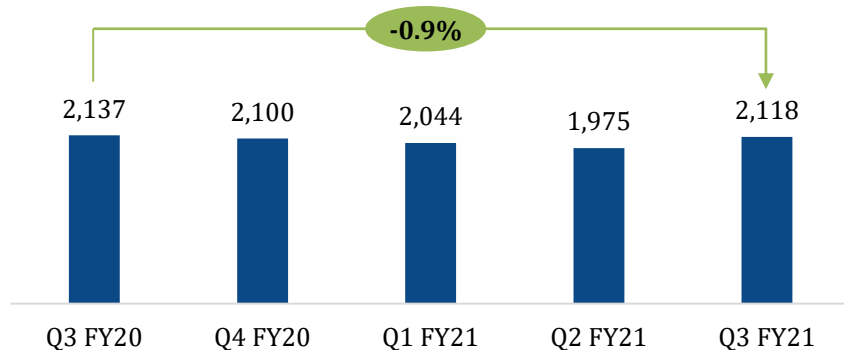
Balance Sheet (INR Cr)	Q3 FY21	Q3 FY20	YoY%	Q2 FY21	QoQ%	9M FY21	9M FY20	FY20
Cash & Other Bank Balances	264.3	67.3	292.6%	193.4	36.6%	264.3	67.3	137.1
Investment in Mutual Funds	0.0	5.0	-100.0%	50.4	-100.0%	0.0	5.0	45.0
Loans								
- Balance sheet assets (Net of Impairment Loss Allowance)	1,947.7	1,960.7	-0.7%	1,759.4	10.7%	1,947.7	1,960.7	1,832.0
- Securitised assets	32.2	81.8	-60.7%	60.3	-46.7%	32.2	81.8	94.6
Property, plant and equipment	5.6	7.2	-21.9%	6.2	-8.7%	5.6	7.2	7.5
Intangible assets	1.0	0.8	14.7%	0.6	48.6%	1.0	0.8	0.9
Right to use assets	1.0	1.9	-44.9%	1.2	-15.8%	1.0	1.9	1.6
Other Financial & Non-Financial Assets	39.8	27.1	46.9%	26.8	48.5%	39.8	27.1	29.8
Total Assets	2,291.5	2,151.8	6.5%	2,098.4	9.2%	2,291.5	2,151.8	2,148.5
Debt Securities	165.5	151.9	8.9%	162.4	1.9%	165.5	151.9	137.3
Borrowings (other than debt securities)	1,578.8	1,429.4	10.4%	1,361.5	16.0%	1,578.8	1,429.4	1,417.6
Subordinated Liabilities	80.5	75.0	7.4%	78.6	2.5%	80.5	75.0	74.9
Financial liability towards Portfolio securitised	23.5	71.9	-67.4%	47.1	-50.2%	23.5	71.9	80.8
Lease liabilities	1.2	2.0	-40.2%	1.4	-14.1%	1.2	2.0	1.7
Other Financial & Non-financial Liabilities	27.2	38.7	-29.8%	28.1	-3.3%	27.2	38.7	34.6
Total Equity	414.9	382.9	8.3%	419.4	-1.1%	414.9	382.9	401.6
Total Liabilities and Equity	2,291.5	2,151.8	6.5%	2,098.4	9.2%	2,291.5	2,151.8	2,148.5
Key Ratios	Q3 FY21	Q3 FY20		Q2 FY21		9M FY21	9M FY20	FY20
ROA	-0.8%	3.2%		0.7%		0.8%	3.4%	3.6%
D/E	4.4	4.3		3.8		4.4	4.3	4.1
ROE	-4.2%	18.8%		3.6%		4.4%	21.0%	21.9%
GNPA (90+ dpd)	2.79%/ 0.23%*	1.55%		1.52%/ 1.21%*		2.79%/ 0.23%*	1.55%	1.60%
Provisioning ¹	4.60%	NA		4.30%		4.60%	NA	2.35%

* Considering no change in NPA recognition after 31st August in accordance with hon'ble Supreme Court Order

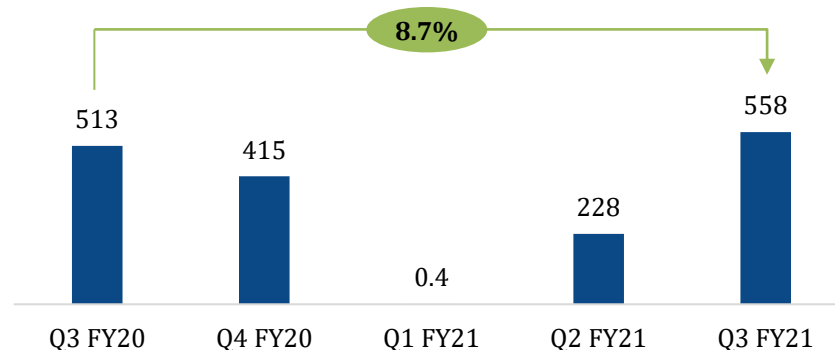
1) ECL including management overlay

Q3 FY21: Quarterly Performance Trend (1/4)

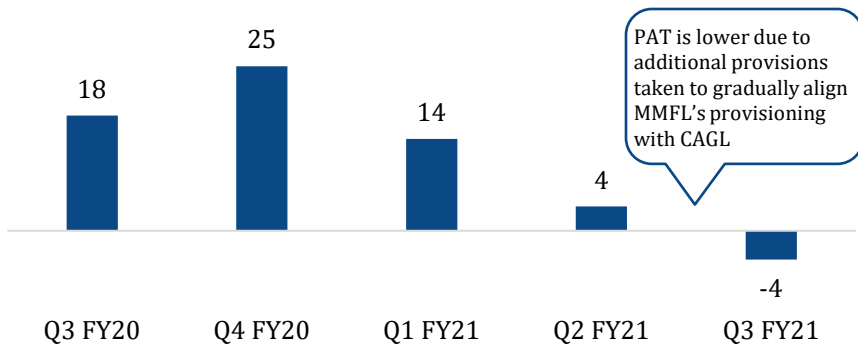
Gross Loan Portfolio (GLP) (INR Cr)



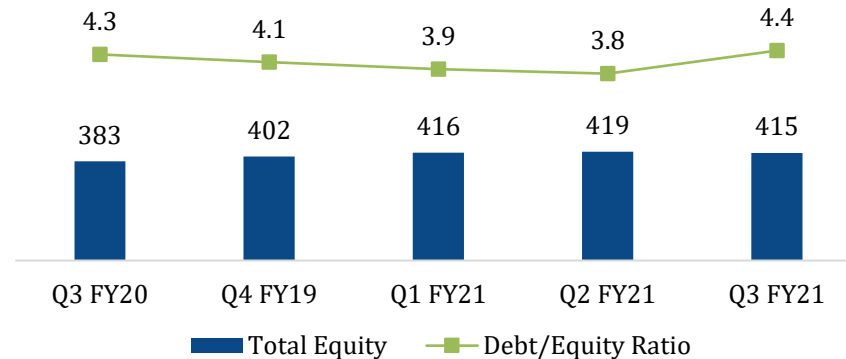
Disbursements (INR Cr)



PAT (INR Cr)

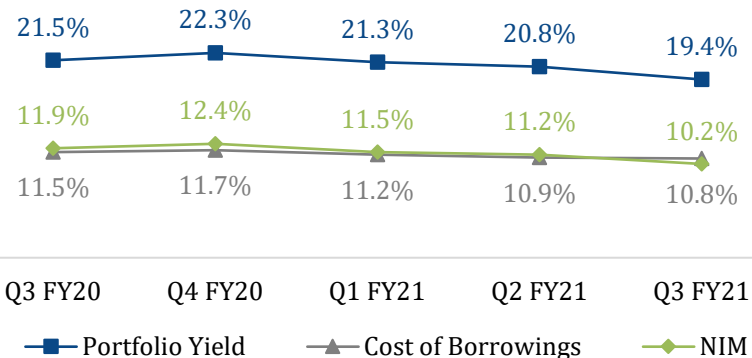


Total Equity (INR Cr) & Debt/Equity Ratio

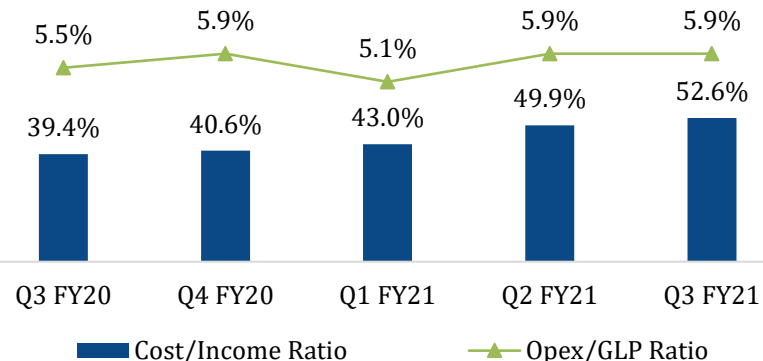


Q3 FY21: Quarterly Performance Trend (2/4)

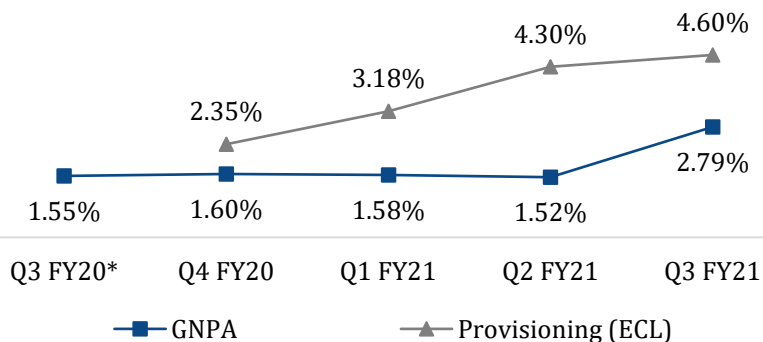
Margin Analysis (%)



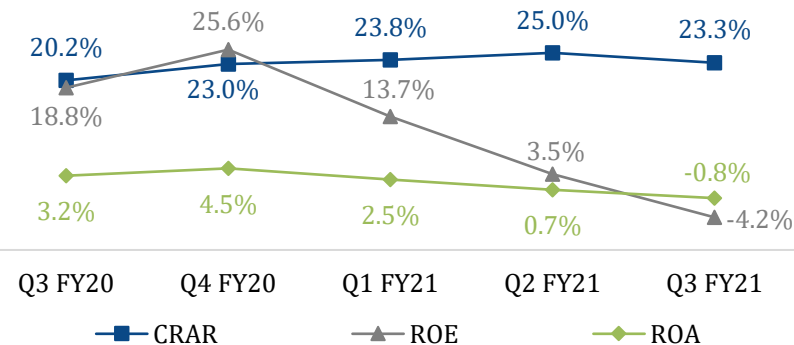
Operating Efficiency (%)



Asset Quality (%)



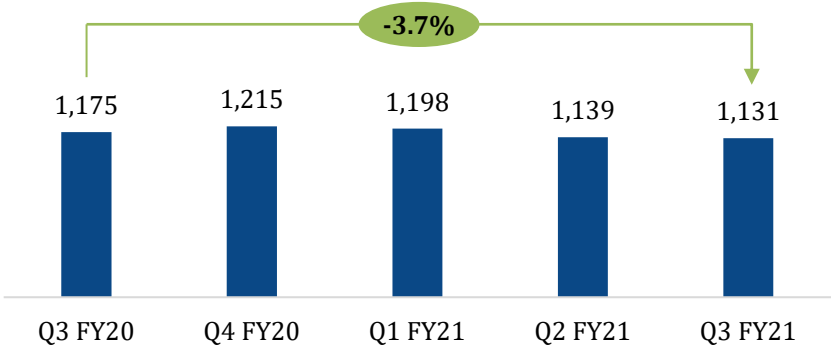
Return Ratios & Capital Adequacy (%)



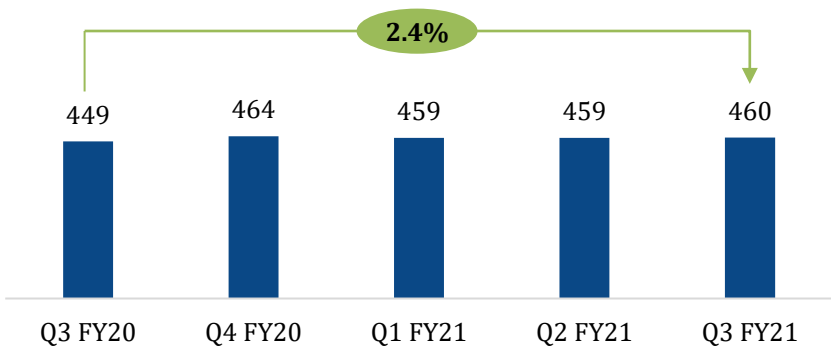
* Based on I-GAAP

Q3 FY21: Quarterly Performance Trend (3/4)

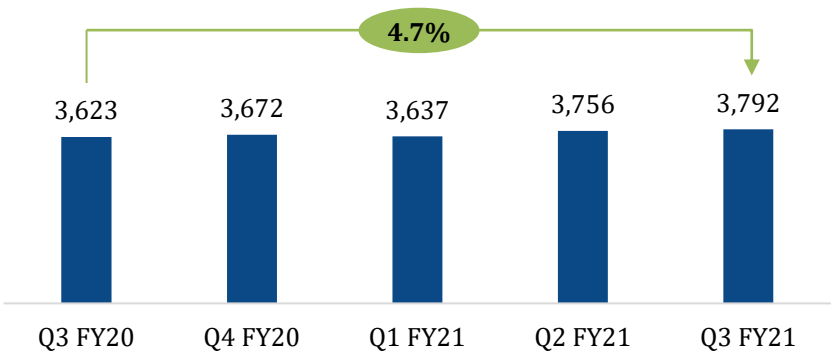
Borrowers ('000)



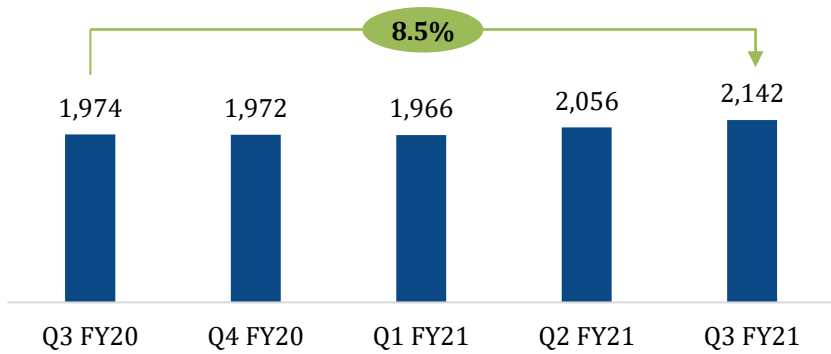
Branches



Employees



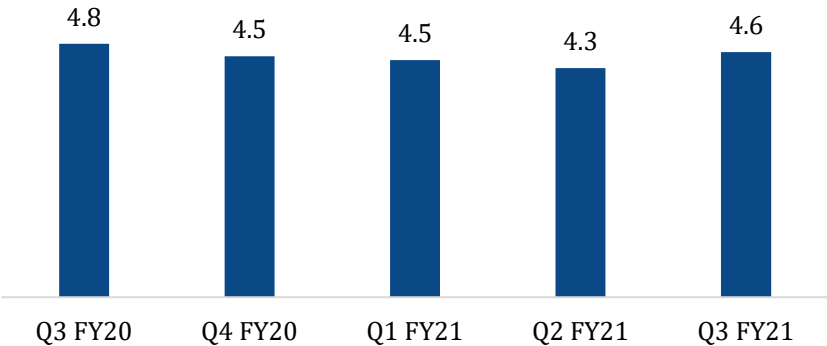
Loan Officers



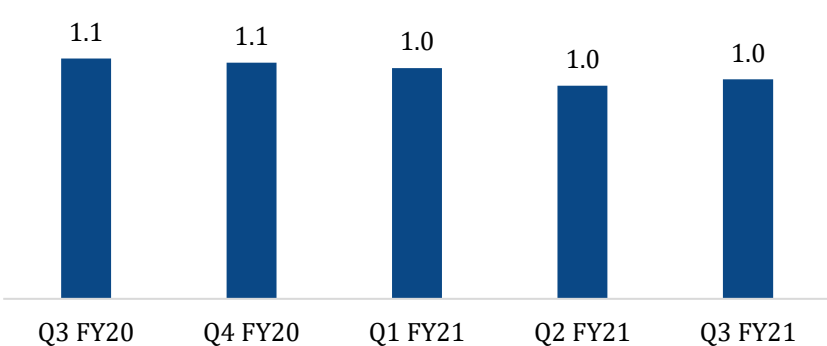
Q3 FY21: Quarterly Performance Trend (4/4)



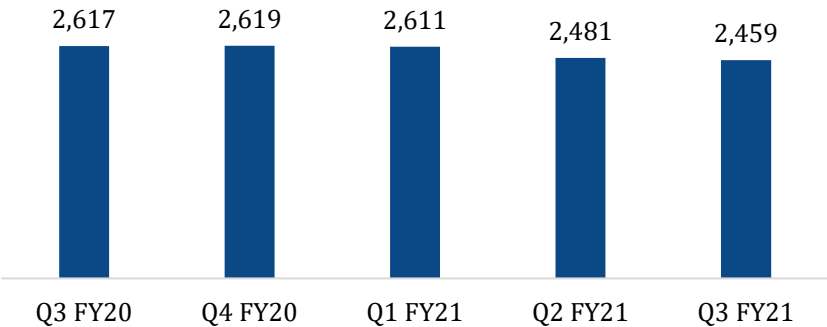
GLP / Branch (INR Cr)



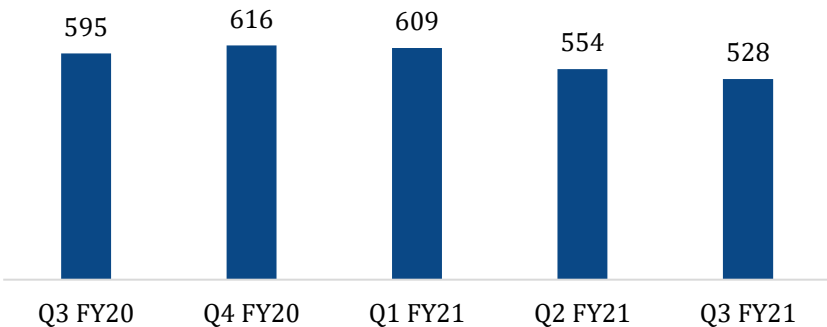
GLP / Loan Officer (INR Cr)



Borrowers / Branch



Borrowers / Loan Officer



Q3 FY21: District Wise Exposure

Portfolio Exposure of Districts (% of Portfolio)	Q4 FY20		Q3 FY21	
	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts
< 0.5%	31	33%	29	30%
0.5% - 1%	23	24%	29	30%
1% - 2%	27	28%	26	27%
2% - 4%	12	13%	10	10%
> 4%	2	2%	2	2%
Total	95	100%	96	100%

Borrowers Exposure of Districts (% of Borrowers)	Q4 FY20		Q3 FY21	
	No. of Districts	% of Total Districts	No. of Districts	% of Total Districts
< 0.5%	38	40%	34	35%
0.5% - 1%	20	21%	22	23%
1% - 2%	23	24%	26	27%
2% - 4%	12	13%	12	13%
> 4%	2	2%	2	2%
Total	95	100%	96	100%

District in terms of GLP	Q4 FY20	Q3 FY21
	% of Total GLP	% of Total GLP
Top 1	5%	5%
Top 3	13%	12%
Top 5	19%	18%
Top 10	32%	31%
Others	68%	69%

Q3 FY21: Diversified Liability, Stable Liquidity, Positive ALM

Liability Mix – Institution / Instrument Wise	Q3 FY21
Banks – Term Loan	50.7%
FIs – Term Loan	18.8%
NBFCs – Term Loan	13.2%
Domestic – NCD	4.7%
Foreign – NCD	3.9%
Sub-Debt	3.9%
Securitisation ¹	1.2%
Direct Assignment ¹	3.5%

Liability Mix – Tenure Wise	Q3 FY21
<= 2 Years	25%
< 2 & <= 3 Years	43%
< 3 & <=6 Years	32%

Credit Rating	Rating Agency	Rating / Grading
Bank facilities & NCDs	ICRA CARE	A- (OWP) BBB+ (OWP)
Sub- Debt	ICRA	A- (OWP)
MFI	ICRA	M2+

OWP – On watch with positive implication

1) Securitisation Book: INR 23.4 Cr, Direct Assignment (Sold Portion): INR 66.7 Cr

Static Liquidity / ALM Position Particulars (INR Cr)	For the month		
	Jan-21	Feb-21	Mar-21
Opening Cash & Equivalents (A)	264.6	280.4	325.3
Loan recovery [Principal] (B)	165.4	169.5	178.6
Total Inflow (C=A+B)	430.0	449.9	503.9
Borrowing Repayment [Principal]			
Term loans and Others (D)	135.0	111.6	91.3
Securitisation and DA (E)	14.5	13.1	11.8
Total Outflow G=(D+E)	149.5	124.7	103.1
Closing Cash & equivalents (H= C-G)	280.4	325.3	400.8

Static Liquidity (B-G)	15.8	44.9	75.5
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Debt Drawdowns (INR Cr)	Q3 FY21	Undrawn Sanctions as on 31 st December	Sanctions in Pipeline as on 31 st December
NBFCs – TL	120	INR 100 Cr	INR 1,305 Cr
Banks – TL	325		
FIs – TL	50		
Banks – PCGS	25		
FIs – NCD	37.5		
Total	557.5		

Key Business Updates

Consolidated Results Overview

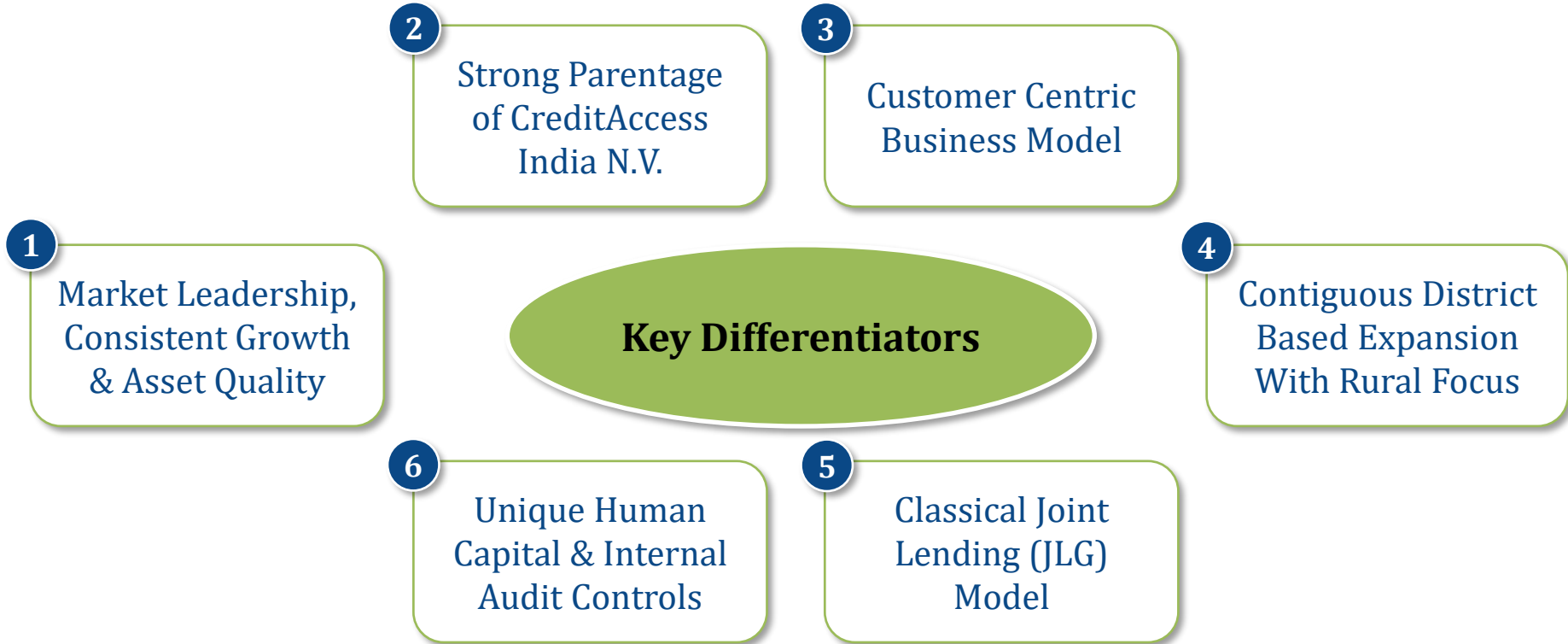
CAGL: Financial & Operational Metrics

MMFL: Financial & Operational Metrics

Investment Rationale

Annexure

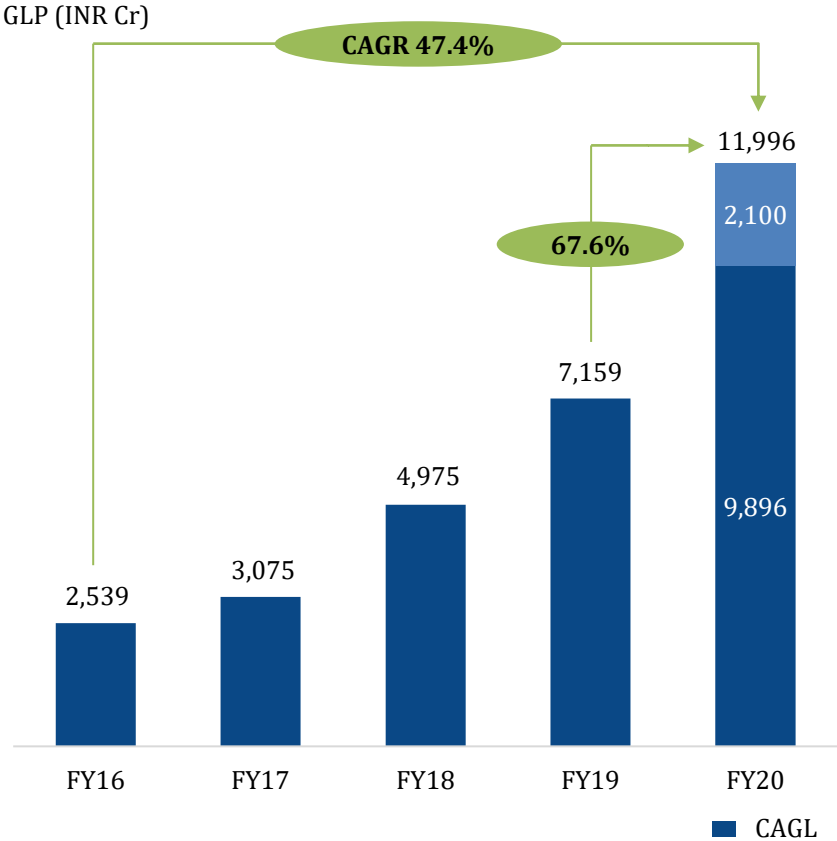




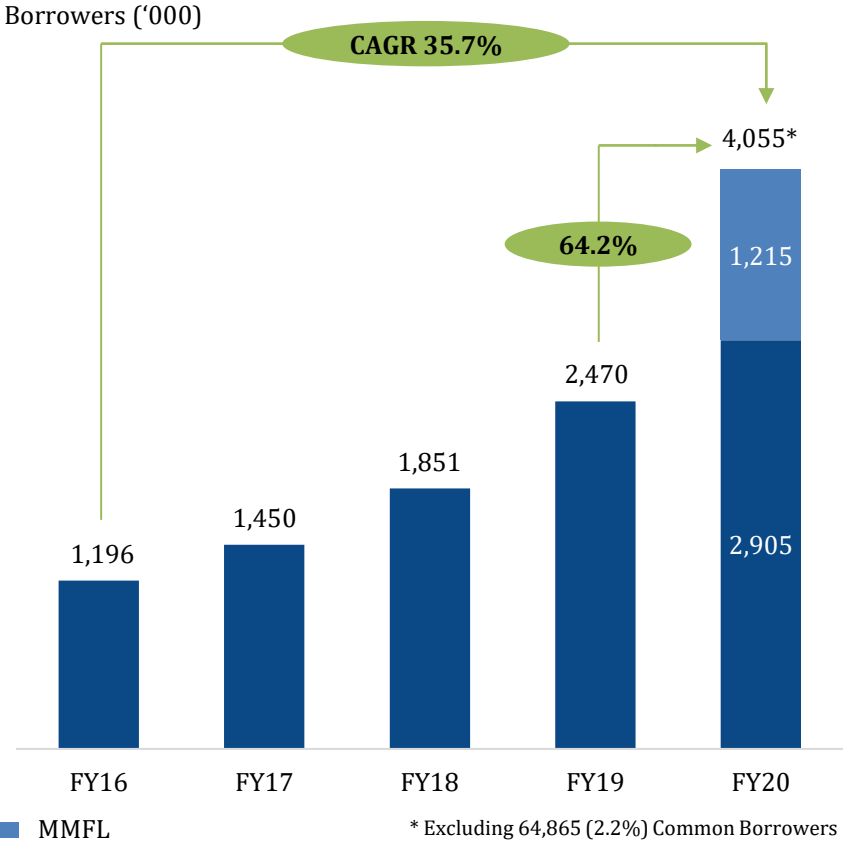
Uniquely positioned to capitalize on the highly underpenetrated credit in rural areas with one of the lowest lending rate & one of the best operating cost efficiency

Leading MFI with Expanded Scale & Footprint (1/2)

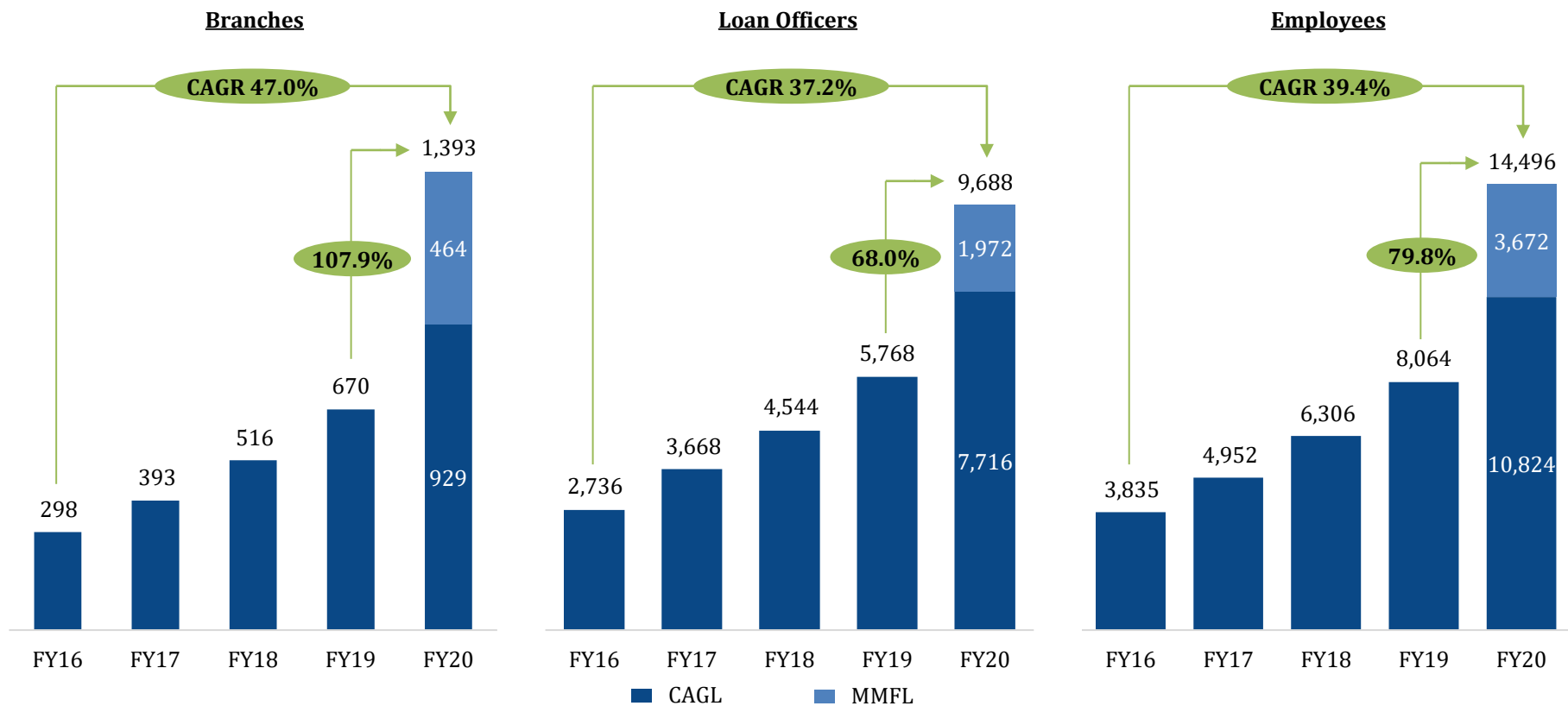
Strengthened Leadership Position with ~ INR 12,000 Cr Portfolio



Augmented Borrower Base of over 4.0 Mn



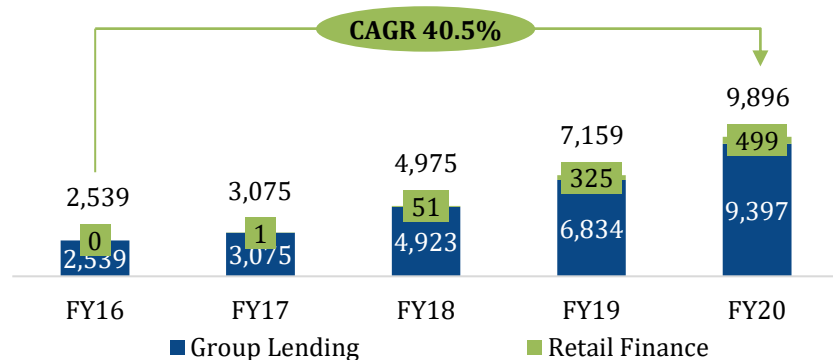
Expanded Branch Network & Human Infrastructure to Drive Future Growth



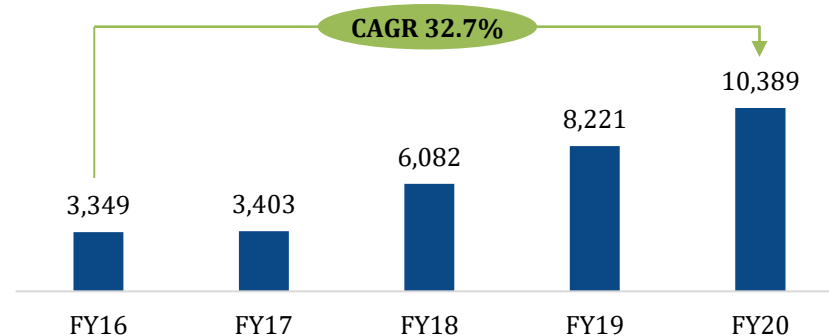
Consistent Organic (Standalone) Growth Trend (1/3)

Note: Refer Annexure for definition of key ratios

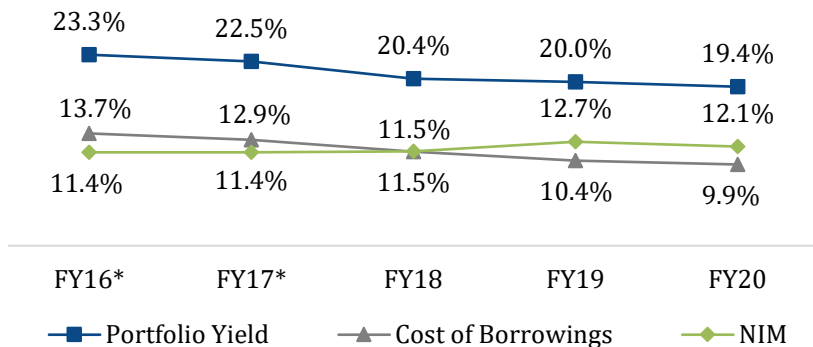
Gross Loan Portfolio (GLP) (INR Cr)



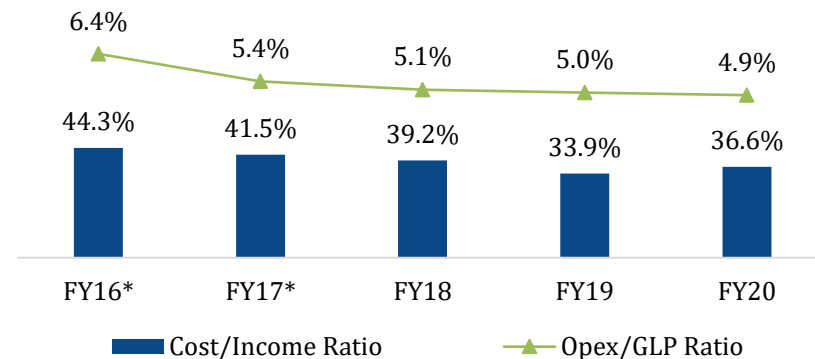
Disbursements (INR Cr)



Margin Analysis (%)



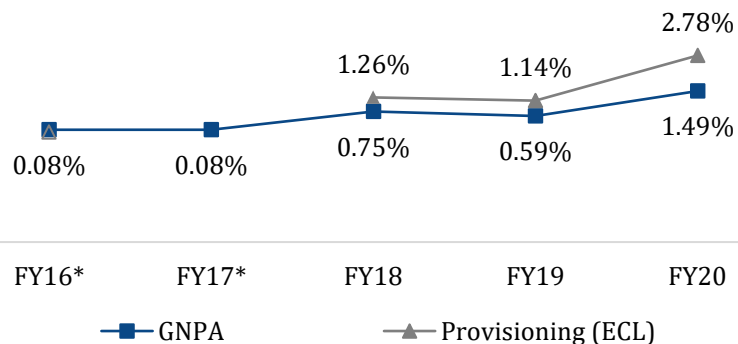
Operating Efficiency (%)



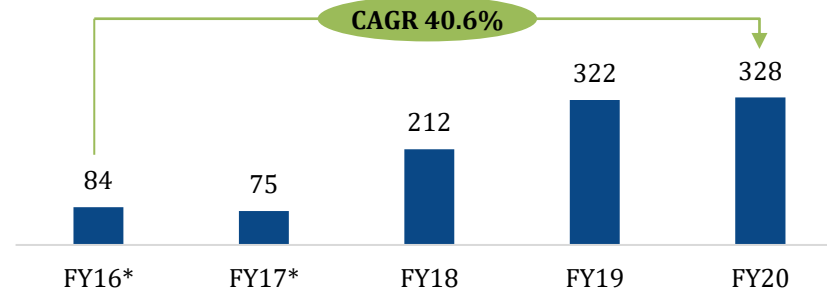
Consistent Organic (Standalone) Growth Trend (2/3)

Note: Refer Annexure for definition of key ratios

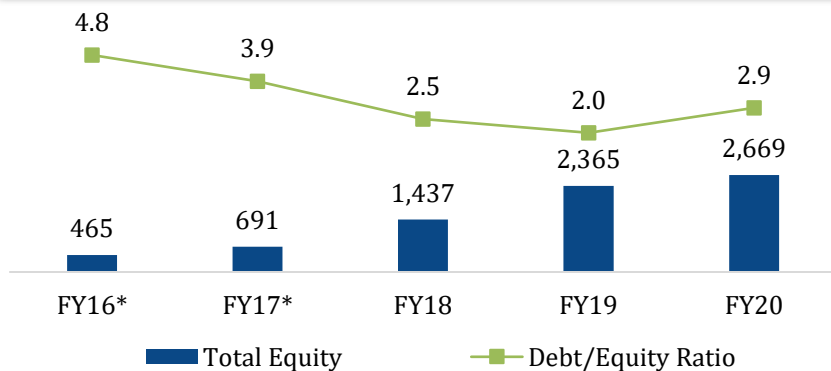
Asset Quality (%)



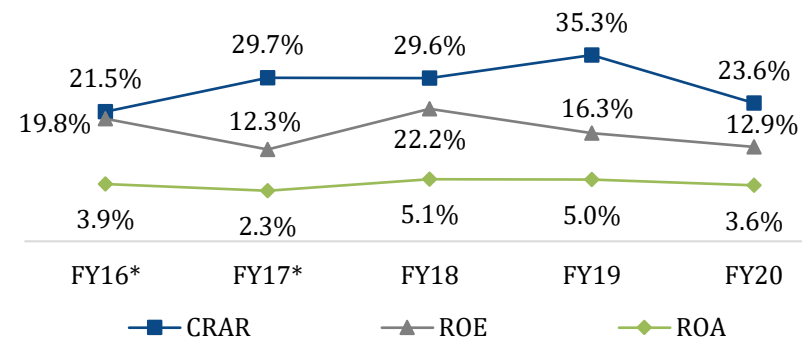
PAT (INR Cr)



Total Equity (INR Cr) & Debt/Equity Ratio

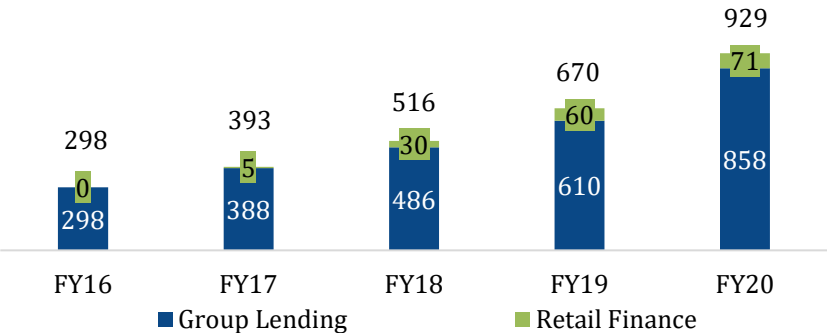


Return Ratios & Capital Adequacy (%)

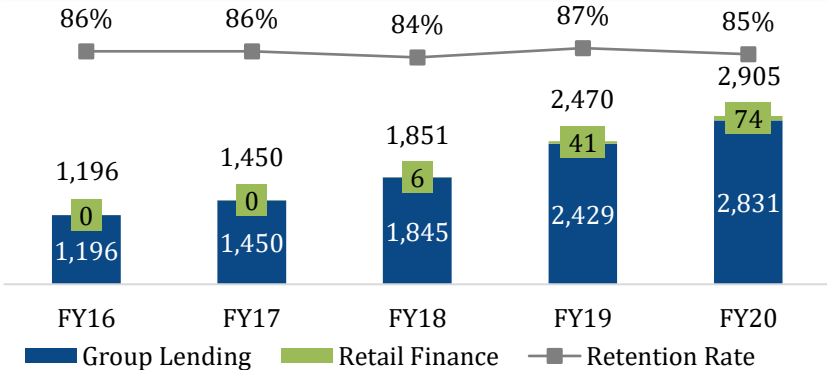


Consistent Organic (Standalone) Growth Trend (3/3)

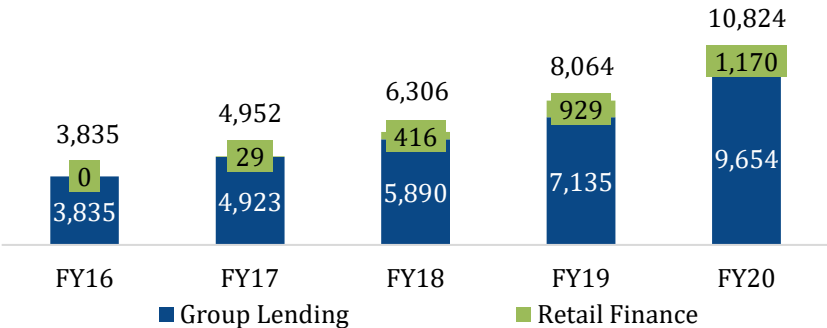
Branches



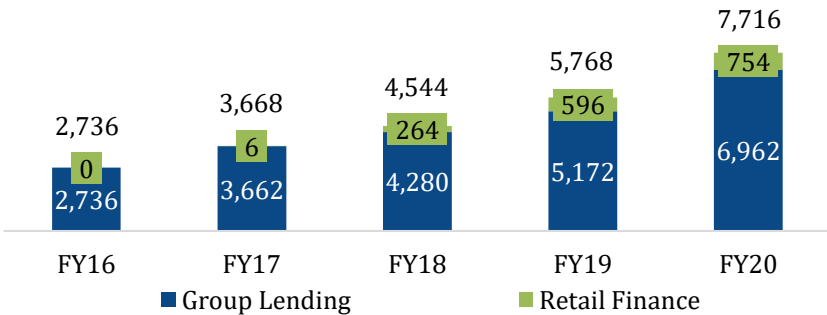
Borrowers ('000) & Retention Rate (%)



Employees



Loan Officers





Committed to Micro Finance Business

- CreditAccess India N.V. (CAI) specialises in Micro and Small Enterprises financing
- Widely held shareholding base: 257 shareholders
 - Olympus ACF Pte Ltd. 15.1%, Asian Development Bank 8.6%, individuals/HNIs/Family Offices 76.3%
- Headquartered in Amsterdam, The Netherlands

Strong Financial Support

- Invested through multiple rounds of capital funding along with secondary purchase during 2009 to 2017
- Displayed trust in our business model post demonetisation by infusing INR 550 Cr in FY17
- Provides access to global fundraising opportunities leveraging CAI's network and relationships
- Holds 74.03% in CAGL, committed to hold up to the regulatory requirement in future

Customer Centric Business Model (1/2)



Partnering in growth with diverse product suite catering to entire customer life cycle



One of the lowest lending rates - 19.35%



Customer flexibility - Even in a group, borrowers can have different borrowing limit, ticket size, disbursement & repayment schedule, no pre-payment penalty



Customer can have multiple loans within the credit line/borrowing limit to meet specific requirements



High customer engagement through predominantly weekly Kendra meetings



Strong focus on client protection in collection, awareness building and grievance resolution

High customer satisfaction
88% Borrower retention rate

Portfolio stability with
lower loan run-off

Significant growth
from existing customer

Lower customer
acquisition cost

Customer Centric Business Model (2/2)

Loan Type	Customer Centric Products	Purpose	Ticket Size (INR)	Tenure (months)
Group	Income Generation Loan(IGL)	Business Investments and Income Enhancement activities	5,000 - 80,000	12-24
Group	Home Improvement Loans	Water Connections, Sanitation and Home Improvement & Extensions	5,000 - 50,000	12-48
Group	Family Welfare Loans	Festival, Medical, Education and Livelihood Improvement	1,000 - 15,000	3-12
Group	Special Situation Loans	Emergencies	2,000	6
Group	Emergency Loans	Emergencies	1,000	3
Individual	Retail Finance Loans	Purchase of inventory, machine, assets or for making capital investment in business or business expansion	Up to 5,00,000	6-60

Cashless shift based on customer's preference

- Small loans: Cash/Cashless
Larger Loans: Cashless
- 100% of branches enabled for cashless disbursements
- Currently, 90%+ disbursements are on cashless mode
- 100% cashless in retail finance business

Retail Finance

- Retail Finance was launched in 2016 to support the enhanced credit needs of our graduated customers, making CAGL 'One stop shop' for various customer requirements

- ✓ Focus on achieving deep penetration within a particular district within three years of commencement of operations
- ✓ Gradual expansion into the next (typically adjoining) district
- ✓ Systematic methodology in selection of new districts based on availability of infrastructure, competition, historical performance trend, socio-economic risk, growth potential
- ✓ Contiguous expansion provides significant scale and diversification advantages
- ✓ Familiarity of the loan officers with demographics of nearby districts enables effective customer evaluation and better servicing
- ✓ Lower exposure to a particular district (97% of districts $\leq 2\%$ of GLP, No single district has $> 5\%$ of total GLP)

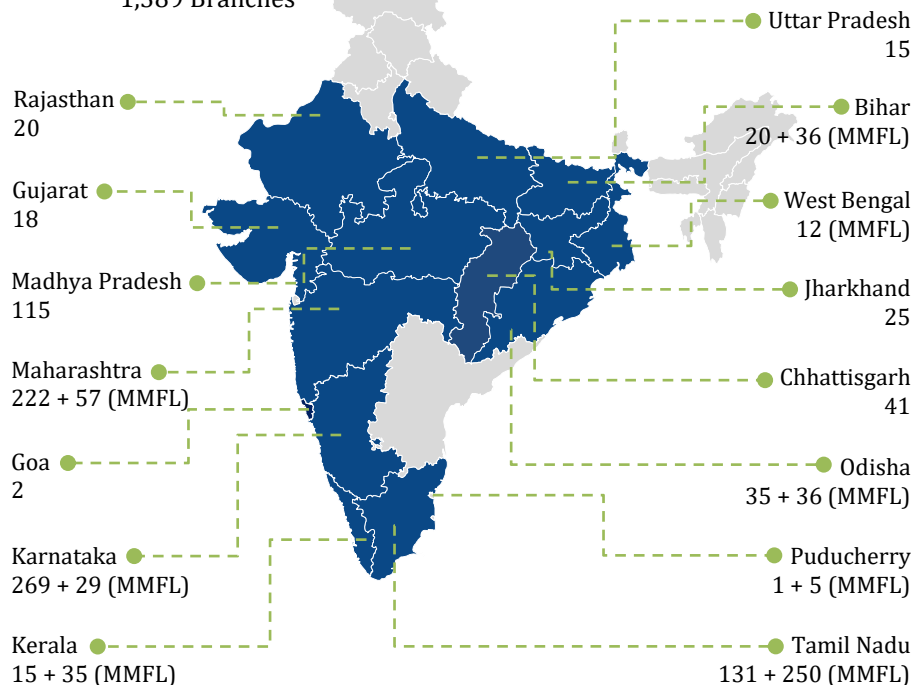
...Leading To Geographic Diversification

Our Presence

14 States / 1 UT

249 Districts

1,389 Branches



Branch Network	Q3 FY21 CAGL + MMFL	Q3 FY21 % Share
Karnataka	298	21.5%
Maharashtra	279	20.1%
Tamil Nadu	381	27.4%
Madhya Pradesh	115	8.3%
Other States & UTs	316	22.7%
Total	1,389	100.0%

Borrowers ('000)	Q3 FY21 CAGL + MMFL	Q3 FY21 % Share
Karnataka	1,180	30.2%
Maharashtra	872	22.3%
Tamil Nadu	1,035	26.5%
Madhya Pradesh	318	8.1%
Other States & UTs	502	12.9%
Total	3,906*	100.0%

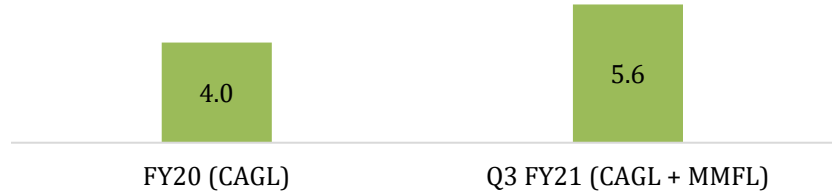
GLP (INR Cr)	Q3 FY21 CAGL + MMFL	Q3 FY21 % Share
Karnataka	4,723	38.3%
Maharashtra	3,054	24.8%
Tamil Nadu	2,401	19.5%
Madhya Pradesh	998	8.1%
Other States & UTs	1,145	9.3%
Total	12,321	100.0%

* Excluding 62,002 (2.2%) Common Borrowers

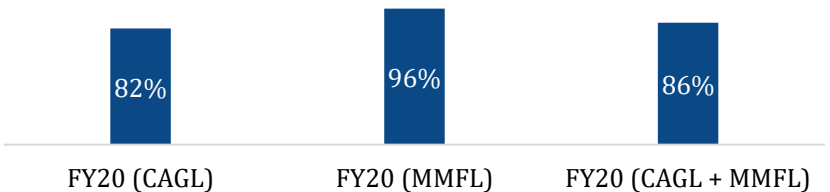
...And Deeper Presence with Rural Focus



Higher District Penetration: Branches Per District



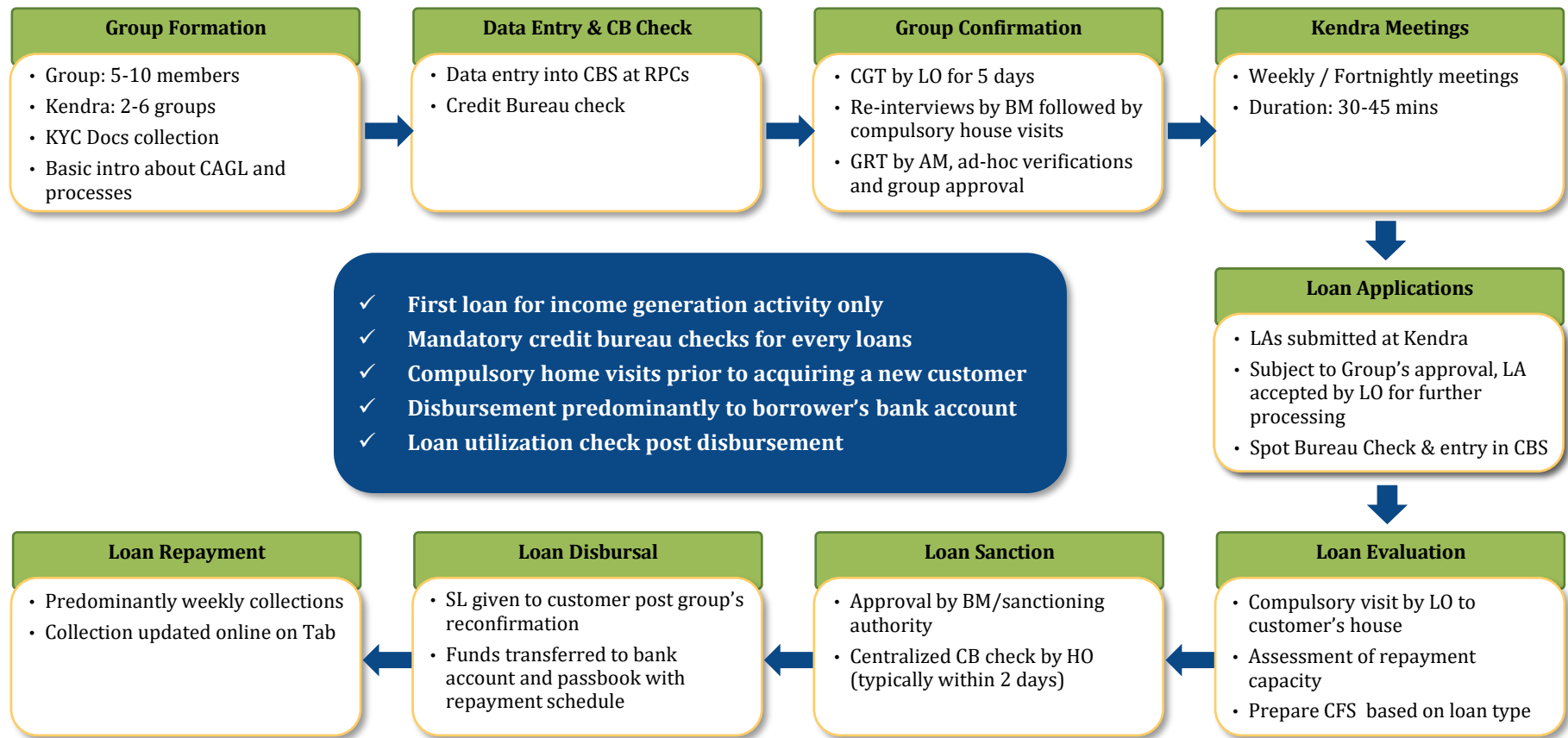
Higher Proportion of Rural Borrowers



GLP Exposure of Districts (% of GLP)	Q3 FY21 (CAGL + MMFL)	
	No. of Districts	% of Total Districts
< 0.5%	190	76%
0.5% - 1%	27	11%
1% - 2%	25	10%
2% - 4%	7	3%
> 4%	0	0%
Total	249	100%

District in terms of GLP	Q3 FY21 (CAGL + MMFL)
	% of Total GLP
Top 1	3%
Top 3	9%
Top 5	14%
Top 10	24%
Other	76%

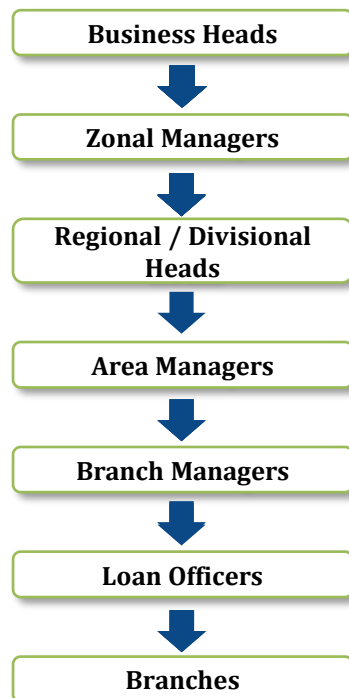
Classical JLG Lending Model



Note: CB: Credit Bureau, CBS: Core Banking System, RPC: Regional Processing Center, CGT: Compulsory Group Training, LO: Loan Officer, BM: Branch Manager, CFS: Cash Flow Statement, AM: Area Manager, LA: Loan Application, HO: Head Office, SL: Sanction Letter, KM: Kendra Meeting

Unique Human Capital

Well-established Operational Structure



Multiple layers
of checks during
customer selection,
loan sanctioning,
loan disbursement,
loan utilization check

Sound Understanding of Rural Market

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

Highly Efficient Workforce

- In-house 4-weeks pre-hiring training program
- Compulsory rotation of loan officers annually and branch managers bi-annually for varied job experience and work satisfaction
- Employee incentives delinked from disbursement or collections, and linked to number of customers serviced and quality of service
- High employee retention rate

Internal Audit & Controls

- Internal audit frequency – 6 times in a year at branches, 4 times at regional offices, 4 times at head office
- Internal audit teams are responsible for HO, branch and field audits
- Internal audit of back-end process at head office
- The Audit Committee of our Board is updated every quarter on significant internal audit observations, compliances, risk management practices and control systems

Key Business Updates

Consolidated Results Overview

CAGL: Financial & Operational Metrics

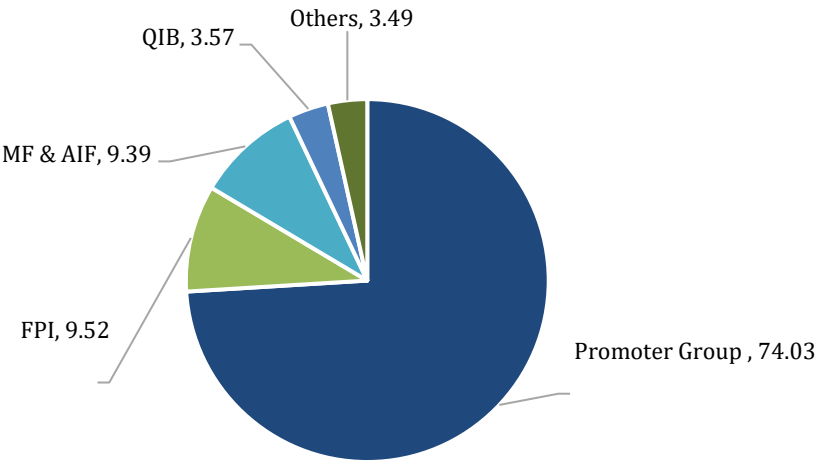
MMFL: Financial & Operational Metrics

Investment Rationale

Annexure



Shareholding Pattern – December 2020



Top 10 Institutional Investors – December 2020

- Nippon MF
- IIFL AMC
- T Rowe Price
- Tata AIA Life Insurance
- ICICI Prudential MF
- ICICI Prudential Life Insurance Company
- Kotak Funds – India Midcap Fund (Kotak Offshore)
- Taiyo Pacific Partners
- HDFC Life Insurance Company
- Nomura AMC

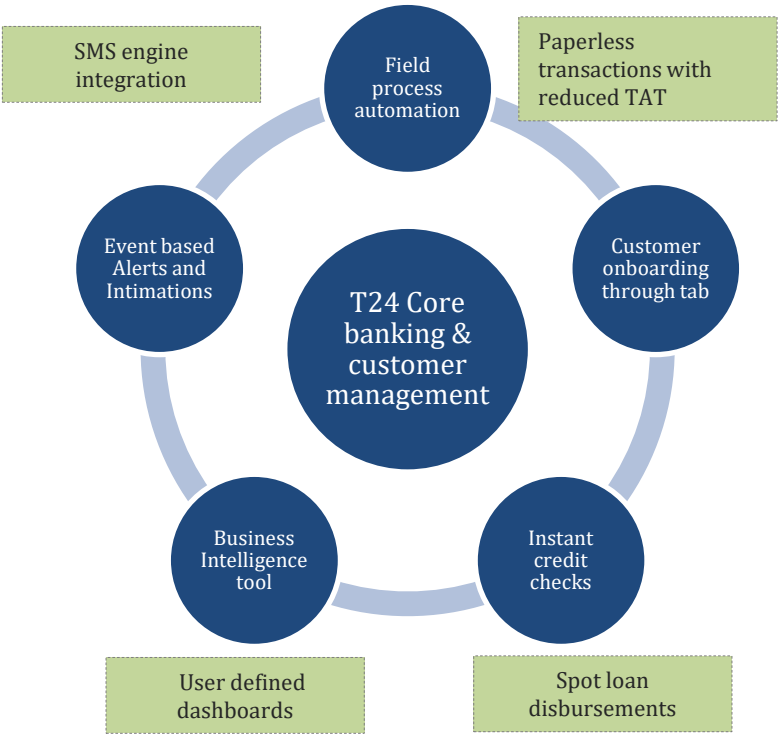
1. Portfolio Yield = (Interest on loans – processing fees + Income from securitisation) / Avg. quarterly on-book loans
2. Cost of Borrowings / Weighted Avg. COB = (Borrowing cost – finance lease charges) / Monthly average borrowings
3. Marginal COB = (Borrowings availed during the period * interest rate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

Provisioning Policy

	RBI Norms		IND-AS		CAGL Policy	MMFL Policy
Asset Classification	Standard Assets	0-90 days	Stage I	0-30 days	0-15 days (GL) 0-30 days (RF)	0-30 days
	Sub-Standard Assets	91-180 days	Stage II	31-90 days	16-60 days (GL) 31-90 days (RF)	31-90 days
	Loss Assets	>180 days	Stage III	>90 days	>60 days (GL) >90 days (RF)	>90 days

	RBI Norms	IND-AS		CAGL Policy Provisioning	CAGL Policy Write-offs	MMFL Policy Provisioning	MMFL Policy Write-offs
Provisioning Norms	Higher value among the following: <ul style="list-style-type: none"> 1% of on-book Loan Assets; or [50% of aggregate overdue loan installments in respect of Sub-Standard Loan Assets; and 100% of aggregate overdue loan installments in respect of Loss Loan Assets] 	Stage I	ECL Methodology	5.94% of EAD (Q3 FY21)	>270 days	4.60% of EAD (Q3 FY21)	>180 days
		Stage II					
		Stage III					

Key Technology Initiatives



Key Technology Partners



TEMENOS

(Core Banking Solution)



Microsoft

(Email and Collaboration)



(End to end insurance claim management)



(Audit automation)



(Business Intelligence Tool)



(Data Centre & Disaster Recovery Infrastructure)



SoftwareGroup
doing it right

(Mobility solution)



(Cloud based email solution)



(Network & Server protection)



(Data Warehouse solution)



(Digital customer engagement platform)



(Business Intelligence & Reporting)

COVID-19 CSR Initiatives (Directly Managed By CAGL Team)

In the backdrop of COVID-19 pandemic situation in India, CAGL has decided to focus its CSR activities in towards following activities –

Preventive and precautionary activities

Support communities in dealing with COVID-19 issues

Support communities in recovering from COVID-19 infection

The following activities were selected and executed in the COVID-19 affected areas in all CAGL operating states and districts

Distribution of PPE kits - N95 mask, sanitizers, hand gloves, shoe rapper, spectacle, gown, cotton and spirit

Distribution of medical kits - 50 masks, 50 sanitizers - 100ml and 50 pair of hand gloves

Distribution of groceries

Distribution of thermal scanners

Type Of Activity	Target Beneficiaries	Number of Institutions / Locations	Number of Beneficiaries	Number of Kits
Grocery Kits	Flood affected members and Covid-19 affected customers	16	1,899	1,899
Health Kits	Local administration and COVID warriors	119	1,693	119
Total		135	3,592	2,018

COVID-19 CSR Initiatives (Directly Managed By CAGL Team)

State	Estimated Expenditures	Total amount (As on 31 st Dec)
Karnataka	76,57,000	87,47,918
Maharashtra	44,20,000	46,44,810
Tamil Nadu	26,20,000	23,38,157
Madhya Pradesh	12,65,000	11,87,841
Chhattisgarh	4,51,000	5,04,775
Odisha	3,85,000	5,41,586
Jharkhand	2,75,000	4,42,025
Bihar	2,20,000	13,03,714
Rajasthan	4,00,000	2,39,021
Gujarat	3,60,000	96,200
Kerala	3,00,000	2,48,150
Uttar Pradesh	1,65,000	1,26,805
Goa	22,000	24,000
Puducherry	20,000	19,471
Grand Total	1,85,60,000	2,04,64,473

* INR 11,68,136 used from Special Fund aside.





For Further Queries:

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