



## CreditAccess Grameen Limited - Second Quarter FY24-25 Results

**Gross Loan Portfolio of INR 25,133 crore, up 11.8% YoY**  
**Pre-provision Operating Profit of INR 672 crore, up 19.5% YoY**  
**Q2 FY25 PAT of INR 186 crore, ROA of 2.7% & ROE of 10.7%**  
**H1 FY25 PAT of INR 584 crore, ROA of 4.1% & ROE of 17.1%**

**Bengaluru, 25<sup>th</sup> October 2024:** CreditAccess Grameen Limited (**NSE:** CREDITACC, **BSE:** 541770, 'CA Grameen'), the country's largest Non-Banking Financial Company-Micro Finance Institution (NBFC-MFI), today announced its unaudited and limited reviewed financial performance for the second quarter and first half of the financial year 2024-25.

### **Business Highlights: Q2 FY25**

- GLP grew by **11.8% YoY** from INR 22,488 crore to **INR 25,133 crore**
- Borrower base grew by **7.2% YoY** from 46.03 lakh to **49.33 lakh** across **2,031** branches
- Collection Efficiency of **96.3%** (excl. arrears)

### **Financial Highlights: Q2 FY25**

- Total income increased by **16.5% YoY** from INR 1,247.6 crore to **INR 1,453.9 crore**
- Net interest income (NII) increased by **20.8% YoY** from INR 772.0 crore to **INR 932.4 crore**
- Pre-provision operating profit (PPOP) increased by **19.5% YoY** from INR 562.6 crore to **INR 672.1 crore**
- Impairment of financial instruments increased by **338.3% YoY** from INR 95.9 crore to **INR 420.1 crore**
  - Total ECL provisions were **INR 868.7 crore (3.53%)** against GNPA (**GL: 60+ dpd, RF: 90+ dpd**) of **2.44%**, and PAR 90+ of **1.74%**. **NNPA** stood at **0.76%** and write-offs were **INR 135.0 crore**
- Profit After Tax (PAT) decreased by **46.4% YoY** from INR 347.0 crore to **INR 186.1 crore**
- Robust liquidity of **INR 2,035.7 crore** of cash, cash equivalents, and investments, **7.6%** of the total assets which has been further enhanced to ~10% in October 2024
- Healthy capital position with a **CRAR of 26.1%**
- Credit Rating: **AA-/Stable** by CRISIL, ICRA & India Ratings

### **Key Metrics: Q2 FY25**

Particulars	Q2 FY25	Q2 FY24	YoY %
Gross Loan Portfolio (INR Cr)	25,133	22,488	+11.8%
Borrowers (Lakh)	49.33	46.03	+7.2%
Branches	2,031	1,877	+8.2%

Particulars (INR Cr)	Q2 FY25	Q2 FY24	YoY%
Net Interest Income (NII)	932.4	772.0	+20.8%
Pre-Provision Operating Profit (PPOP)	672.1	562.6	+19.5%
Profit After Tax (PAT)	186.1	347.0	-46.4%



Key Ratios	Q2 FY25	Q2 FY24	YoY%
Interest Spread	11.4%	11.3%	+6 bps
Net Interest Margin (NIM)	13.5%	13.1%	+36 bps
Cost/Income Ratio	30.7%	31.7%	-104 bps
Opex/GLP Ratio	4.6%	4.7%	-9 bps
Gross NPA	2.44%	0.77%	+167 bps
Net NPA	0.76%	0.24%	+52 bps
Return on Assets (ROA)	2.7%	5.6%	-295 bps
Return on Equity (ROE)	10.7%	24.7%	-1401 bps

**Commenting on the financial results, Mr. Udaya Kumar Hebbar, Managing Director of CreditAccess Grameen, said,** *"We have observed a moderate growth during the Q2 FY25, which has historically been a sluggish quarter. Given the short-term nature of microfinance loans and timely calibration by industry, we believe the credit cycle to be transient in nature. In the light of the current industry landscape, we have revised our estimates for FY25 annual performance guidance, anticipating loan portfolio growth of 8-12%, NIM of 12.8-13.0%, credit cost of 4.5-5.0%, ROA of 3.0-3.5% and ROE of 12.0-14.0%. We remain confident of our medium-term growth outlook, aiming to reach INR 50,000 crore mark by FY28 as guided earlier through a combination of both Microfinance and Retail Finance businesses, while upholding our commitment to maintaining best-in-class asset quality."*

**Mr. Ganesh Narayanan, Chief Executive Officer of CreditAccess Grameen, remarked,** *"Our conservative provisioning policy has historically enabled early identification of stress, ensuring adequate coverage while pursuing growth opportunities. When comparing with NBFC industry provisioning policy, we are holding additional INR 102 crore on account of our early recognition and higher provisioning rates. This will help us to recognize 70-75% of the current asset quality stress in FY25 instead of deferring it to the next financial year. Our sustainable business model is exemplified by our strong business performance, achieving a PAT of INR 584 crore, while delivering an ROA of 4.1% and ROE of 17.1% for H1 FY25."*



### **Appointment of Chief Operating Officer**

Mr. Gururaj Rao has been elevated as the Chief Operating Officer and Key Managerial Personnel (KMP) of the Company, effective 01<sup>st</sup> November 2024, from his earlier stint as Chief Audit Officer. He comes with 3 decades of rich experience across the Middle East and India. He has been an integral part of CA Grameen for the past 15 years where he established the Internal Audit function with his eyes on a detailed approach enabling cost-effectiveness and excellent operational controls. Prior to joining CA Grameen, Gururaj held key roles at Yusuf Bin Ahmed Kanoo W.L.L in Saudi Arabia and Mallya Hospital in Bangalore. He holds a Bachelor's degree in Commerce from Bangalore University and is a Certified Internal Auditor from the Institute of Internal Auditors, USA.

### **Appointment of Head – Internal Audit**

Mr. Nagananda Kumar, currently serving as the Head – Operations, has been appointed as the Head – Internal Audit with effect from 01<sup>st</sup> November 2024. He is a seasoned professional with a total work experience of 23 years in the field of microfinance, operations and technology. He has been associated with CA Grameen for over 19 years, having held several key leadership roles across Information Technology, Operations, Customer Service, and the Regional Processing Centre. His technical proficiency, strategic insight, and operational expertise have consistently driven impactful scale-ups and positive business outcomes. He holds a Bachelor's degree in Computer Science from Bangalore University.

**Speaking on the appointments, Mr. Udaya Kumar Hebbar, said,** "We are delighted to appoint Gururaj Rao as the Chief Operating Officer and Nagananda Kumar as Head of Internal Audit. Their association with CA Grameen has been characterized by strong leadership, sound judgment, and invaluable contributions to the Company's growth and success. I am confident that under their leadership, we will further strengthen our market share and deliver exceptional value to all our stakeholders."

### **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 across 398 districts in 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 2,031 branches. The Company's Promoter is CreditAccess India B.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 more than a decade.

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