

No.CTL/DEB/19-20/Noting Certificate/3754

June 24, 2019

To Whomsoever It May Concern,

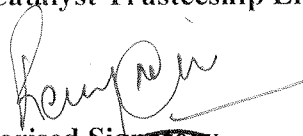
**CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

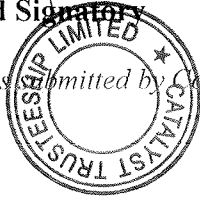
We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Suryoday Small Finance Bank Limited** (“**the Company**”) for the Half year ended March 31, 2019.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

**For Catalyst Trusteeship Limited**

  
**Authorised Signatory**

Encl: Results submitted by Company





**SURYODAY**  
A BANK OF SMILES

**SURYODAY SMALL FINANCE BANK LIMITED**  
(Formerly Suryoday Micro Finance Limited)

Date: 29<sup>th</sup> May 2019

To  
BSE Limited  
P.J. Towers  
Dalal Street  
Mumbai-400 001

Dear Sir(s),

**Sub: Declarations with respect to the Unmodified Audit Opinion in respect of Financial Results submitted for FY. 2018-19.**

We hereby confirm that Statutory Auditors of the Company, M/s. BSR & Associates LLP (Firm Registration No.116231W/W-100024) have issued the Audit Report with unmodified opinion for the Financial Results for the year ended 31<sup>st</sup> March 2019.

Kindly acknowledge the receipt of the same.

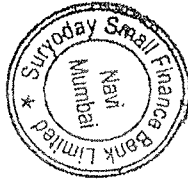
Thanking you,

Yours faithfully,

For Suryoday Small Finance Bank Limited



Chief Financial Officer



# B S R & Associates LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 4345 5300  
Fax +91 (22) 4345 5399

## **Auditor's Report on the Financial Results of Suryoday Small Finance Bank Limited pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Suryoday Small Finance Bank Limited**

1. We have audited the accompanying financial results of Suryoday Small Finance Bank Limited (the 'Bank') for the year ended 31 March 2019 (the 'Financial Results'), attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 (the 'SEBI Regulations'). Attention is drawn to the fact that figures for the half year ended 31 March 2019 and the corresponding half year ended in the previous year as reported in these Financial Results are the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures for the half year ended 30 September of the relevant financial year. Also, the figures up to the end of the half year ended 30 September of the relevant financial year had only been reviewed and not subjected to audit.
2. These Financial Results have been prepared on the basis of the annual financial statements and reviewed half yearly financial results which are responsibility of the Bank's management and have been approved by the Board of Directors in their meeting held on 29 May 2019. Our responsibility is to express an opinion on these Financial Results based on our audit of the annual financial statements, which have been prepared in accordance with the recognition and measurement principles prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder, provisions of Section 29 of the Banking Regulation Act, 1949, circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time and other accounting principles generally accepted in India in compliance with Regulation 52 of the SEBI Regulations.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as Financial Results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

B S R & Associates (a partnership firm with  
Registration No. BA692261 converted into  
B S R & Associates LLP (a Limited Liability  
Partnership with LLP Registration No. AAB-0182)  
with effect from October 14, 2013

Registered Office  
5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011

**Auditor's Report on the Financial Results of Suryoday Small Finance Bank Limited pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

**Suryoday Small Finance Bank Limited**

4. In our opinion and to the best of our information and according to the explanations given to us, these Financial Results;
- i. have been presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 in this regard; and
  - ii. give a true and fair view of the net profit and other financial information for the year ended 31 March 2019.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No: 116231 W/W-100024



**Ashwin Suvarna**

*Partner*

Membership No: 109503

Mumbai  
29 May 2019

**SURYODAY SMALL FINANCE BANK LIMITED**  
(Scheduled Bank)

Regd. Off: 1101, Sharada Terraces, Plot No. 65 Sector -11 CBD Belapur, Navi Mumbai - 400614  
CIN No U65923MH2008PLC261472

**FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019**

(₹ in Lakhs)

| Particulars  | Half year Ended<br>March 31, 2019 | Half year Ended<br>March 31, 2018 | Year Ended<br>March 31, 2019 | Year Ended<br>March 31, 2018 |
|--|-----------------------------------|-----------------------------------|------------------------------|------------------------------|
|  | Unaudited                         | Unaudited                         | Audited                      | Audited                      |
| 1. Interest earned (a) +(b)+ (c) +(d)  | 29,893                            | 16,687                            | 53,011                       | 28,688                       |
| (a) Interest/ discount on advances/ bills                                      | 27,785                            | 15,400                            | 49,329                       | 25,805                       |
| (b) Income on investments  | 1,961                             | 1,022                             | 3,372                        | 2,238                        |
| (c) Interest on balances with Reserve Bank of India and other inter bank funds | 138                               | 254                               | 293                          | 624                          |
| (d) Others   | 9                                 | 11                                | 17                           | 21                           |
| 2. Other Income  | 3,261                             | 2,290                             | 6,935                        | 3,804                        |
| 3. Total Income (1+2)  | 33,154                            | 18,977                            | 59,946                       | 32,492                       |
| 4. Interest Expended   | 10,861                            | 6,398                             | 19,129                       | 12,315                       |
| 5. Operating Expenses (i)+(ii)   | 11,137                            | 7,278                             | 19,596                       | 13,138                       |
| (i) Employees cost   | 6,926                             | 4,825                             | 12,668                       | 8,722                        |
| (ii) Other operating expenses  | 4,211                             | 2,453                             | 6,928                        | 4,416                        |
| 6. Total Expenditure (4+5) excluding provisions and contingencies              | 21,998                            | 13,676                            | 38,725                       | 25,453                       |
| 7. Operating Profit before Provisions and Contingencies (3-6)                  | 11,156                            | 5,301                             | 21,221                       | 7,039                        |
| 8. Provisions (other than tax) and Contingencies                               | 3,246                             | 4,199                             | 7,383                        | 5,466                        |
| 9. Exceptional Items   | -                                 | -                                 | -                            | -                            |
| 10. Profit (+)/ Loss (-) from Ordinary Activities before tax (7-8-9)           | 7,910                             | 1,102                             | 13,838                       | 1,573                        |
| 11. Tax expense  | 3,094                             | 382                               | 5,178                        | 561                          |
| 12. Net Profit(+)/ Loss(-) from Ordinary Activities after tax (10-11)          | 4,816                             | 720                               | 8,660                        | 1,012                        |
| 13. Extraordinary items (net of tax expense)                                   | -                                 | -                                 | -                            | -                            |
| 14. Net Profit (+)/ Loss (-) for the period (12-13)                            | 4,816                             | 720                               | 8,660                        | 1,012                        |
| 15. Paid-up equity share capital<br>(81,582,482 equity shares of ₹ 10 each)    | 8,158                             | 6,750                             | 8,158                        | 6,750                        |
| 16. Reserves excluding Revaluation Reserves                                    | -                                 | -                                 | 79,905                       | 47,226                       |
| 17. (a) Networth   | 88,063                            | 53,976                            | 88,063                       | 53,976                       |
| (b) Networth (Net off intangible assets and deferred expenditure)              | 85,194                            | 52,228                            | 85,194                       | 52,228                       |
| 18. Analytical Ratios  |                                   |                                   |                              |                              |
| (i) Percentage of shares held by Government of India                           | -                                 | -                                 | -                            | -                            |
| (ii) Capital Adequacy Ratio  | 35.98%                            | 37.94%                            | 35.98%                       | 37.94%                       |
| (iii) Earnings Per Share (EPS)-Basic (Refer note - 9)                          | 7.11                              | 1.09                              | 12.79                        | 1.55                         |
| Earnings Per Share (EPS)-Diluted (Refer note - 9)                              | 7.01                              | 1.08                              | 12.61                        | 1.55                         |
| (iv) Debt Equity Ratio (Debt includes borrowings & deposits)                   | 3.09                              | 2.72                              | 3.09                         | 2.72                         |
| (v) NPA Ratios   |                                   |                                   |                              |                              |
| a) Amount of Gross NPA   | 4,962                             | 5,657                             | 4,962                        | 5,657                        |
| b) Amount of Net NPA   | 2,089                             | 3,549                             | 2,089                        | 3,549                        |
| c) % of Gross NPA  | 1.81%                             | 3.54%                             | 1.81%                        | 3.54%                        |
| d) % of Net NPA  | 0.77%                             | 2.25%                             | 0.77%                        | 2.25%                        |
| e) Return on Assets (Refer note - 10)  | 1.47%                             | 0.38%                             | 2.98%                        | 0.58%                        |

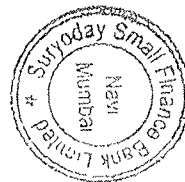


*R. S. Bhat*

**Notes:**

1. The above results represent the financial results of Suryoday Small Finance Bank Limited (the 'Bank'). These results have been approved by the Board of Directors of the Bank at its meeting held on May 29, 2019. The results for the year ended March 31, 2019 have been subjected to an audit by the statutory auditors of the Bank who have issued an unmodified opinion. The information presented above is extracted from the audited financial statements.
2. The Bank is included in the Second Schedule to the Reserve Bank of India Act, 1934 vide Notification No.DB.R.NBD.(SFB-Suryoday).No. 766/16.13.216/2017-18 dated 24 July 2017 and published in the Gazette of India (Part III - Section 4) dated 2 September 2017. Notification for inclusion in second schedule was published on 21 September 2017 on RBI's website and can be accessed on following link: (<https://www.rbi.org.in/Scripts/Notification.aspx?id=11125&Mode=0>).
3. During the year, the Bank issued 13,802,083 equity shares under private placement pursuant to the shareholder's approval aggregating to Rs. 24,844 lakhs. Equity shares aggregating to 283,727 were allotted pursuant to exercise of stock options during the year.
4. The previous due date of payment of interest on non convertible debentures was March 30, 2019 & the same was paid on the due date. The next due date of payment of interest on non convertible debentures was April 01, 2019 and was paid on the due date.
5. Privately placed redeemable non-convertible secured debentures are secured against hypothecation of pool of loans with a security cover of 1 to 1.10 times of the outstanding of respective debentures. The Bank has not issued non-convertible debentures after conversion into a small finance bank.
6. CRISIL and Information and Credit Rating Agencies Limited (ICRA) has assigned short term rating of A1+ on 2 November 2018 and 22 February 2019 respectively. ICRA upgraded long term rating to A from "A-" on 14 September 2018.
7. In accordance with RBI guidelines, small finance banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel II Framework. The Bank's Pillar 3 disclosures are available on its website at the following link: <https://www.suryodaybank.com/regulatory-disclosure>. The disclosures have not been subjected to audit or review by the statutory auditors.
8. The Bank has made a floating provision of Rs. 26.06 crore during the year ended March 31, 2019. Accordingly, cumulative floating provision as at March 31, 2019 is Rs. 32.32 Crore. The provision is made over and above the minimum regulatory requirement for standard assets and NPA provisioning by RBI. Net NPA ratio for all periods presented are without considering floating provision.
9. Earnings per share for the half year ended March 31, 2019 and March 31, 2018 have been calculated for six months and not annualised.
10. Return on Assets has been computed as a percentage of profit after tax to monthly average total assets and not annualised for half year ended results.
11. Capital Redemption Reserve / Debenture Redemption Reserve: Debenture Redemption Reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debentures) Rules, 2014.
12. Outstanding Redeemable Preference Shares (quantity and value): Nil.
13. Previous period/year's figures have been re-grouped/re-classified wherever necessary to correspond with the current period/year's presentation.

For Suryoday Small Finance Bank Limited



*R. Baskar Babu*

R. Baskar Babu

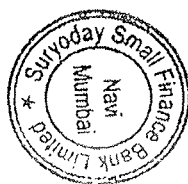
Managing Director &  
Chief Executive Officer

Place: Mumbai  
Date: May 29, 2019

Statement of Assets & Liabilities is as below

|  | As at<br>March 31, 2019<br>Audited | (Rs. in Lakhs)<br>As at<br>March 31, 2018<br>Audited |
|--|------------------------------------|--|
| <b>CAPITAL AND LIABILITIES</b>                         |                                    |  |
| Capital  | 8,158                              | 6,750  |
| Reserves and Surplus                                   | 79,905                             | 47,226   |
| Deposits   | 159,343                            | 74,952   |
| Borrowings   | 112,423                            | 71,783   |
| Other Liabilities and Provisions                       | 19,549                             | 15,639   |
|  | <u>379,378</u>                     | <u>216,350</u>                                       |
| <b>ASSETS</b>  |                                    |  |
| Cash and Balances with Reserve Bank of India           | 4,830                              | 3,082  |
| Balances with banks and money at call and short notice | 22,806                             | 17,634   |
| Investments  | 66,439                             | 31,134   |
| Advances   | 271,190                            | 157,495  |
| Fixed Assets   | 1,898                              | 1,354  |
| Other Assets   | 12,215                             | 5,651  |
|  | <u>379,378</u>                     | <u>216,350</u>                                       |

For Suryoday Small Finance Bank Limited.



*R. Baskar Babu*

*(Signature)*

R. Baskar Babu  
Managing Director & Chief Executive Officer

Place: Mumbai  
Date: May 29, 2019

Segment information in accordance with the extant RBI guidelines and Accounting Standard on Segment Reporting (AS 17):

| Sr. No. | Particulars   | (₹ in Lakhs)                                   |  |   |   |
|---------|---|--|--|---|---|
|         |   | Half year Ended<br>March 31, 2019<br>Unaudited | Half year Ended<br>March 31, 2018<br>Unaudited | Year Ended<br>March 31, 2019<br>Audited | Year Ended<br>March 31, 2018<br>Audited |
| 1       | <b>Segment Revenue</b>  |  |  |   |   |
| a       | Retail banking  | 32,527   | 18,602   | 59,077                                  | 32,024                                  |
| b       | Treasury  | 2,639  | 1,239  | 4,442                                   | 2,633                                   |
| c       | Corporate   | 574  | 12   | 815                                     | 12                                      |
| d       | Other banking operations  | 445  | 225  | 638                                     | 225                                     |
|         | <b>Total</b>  | <b>36,185</b>                                  | <b>20,078</b>                                  | <b>64,972</b>                           | <b>34,894</b>                           |
|         | Less: Inter segment Revenue <sup>1</sup>                                  | (3,031)  | (1,103)  | (5,026)                                 | (2,403)                                 |
|         | <b>Income from operations</b>   | <b>33,154</b>                                  | <b>18,975</b>                                  | <b>59,946</b>                           | <b>32,491</b>                           |
| 2       | <b>Segment Results</b>  |  |  |   |   |
| a       | Retail banking  | 7,424  | 968  | 13,326                                  | 1,424                                   |
| b       | Treasury  | 415  | 12   | 462                                     | 59                                      |
| c       | Corporate   | 189  | (15)   | 231                                     | (15)                                    |
| d       | Other banking operations  | -  | 194  | -                                       | 194                                     |
| e       | Unallocated   | (118)  | (58)   | (181)                                   | (89)                                    |
|         | <b>Total Profit Before Tax</b>  | <b>7,910</b>                                   | <b>1,101</b>                                   | <b>13,838</b>                           | <b>1,573</b>                            |
| 3       | <b>Segment Assets</b>   |  |  |   |   |
| a       | Retail banking  | 271,686  | 166,479  | 271,686                                 | 166,479                                 |
| b       | Treasury  | 91,835   | 46,485   | 91,835                                  | 46,485                                  |
| c       | Corporate   | 11,982   | 1,883  | 11,982                                  | 1,883                                   |
| d       | Other banking operations  | 1,099  | 119  | 1,099                                   | 119                                     |
| e       | Unallocated   | 2,776  | 1,385  | 2,776                                   | 1,385                                   |
|         | <b>Total</b>  | <b>379,378</b>                                 | <b>216,351</b>                                 | <b>379,378</b>                          | <b>216,351</b>                          |
| 4       | <b>Segment Liabilities</b>  |  |  |   |   |
| a       | Retail banking  | 165,534  | 159,357  | 165,534                                 | 159,357                                 |
| b       | Treasury  | 123,989  | 1,998  | 123,989                                 | 1,998                                   |
| c       | Corporate   | 1,165  | 951  | 1,165                                   | 951                                     |
| d       | Other banking operations  | 586  | 30   | 586                                     | 30                                      |
| e       | Unallocated   | 41   | 37   | 41                                      | 37                                      |
|         | <b>Total</b>  | <b>291,315</b>                                 | <b>162,373</b>                                 | <b>291,315</b>                          | <b>162,373</b>                          |
| 5       | <b>Capital employed [i.e. Segment Assets (-)<br/>Segment Liabilities]</b> |  |  |   |   |
| a       | Retail banking  | 106,152  | 7,122  | 106,152                                 | 7,122                                   |
| b       | Treasury  | (32,155)                                       | 44,487   | (32,155)                                | 44,487                                  |
| c       | Corporate   | 10,817   | 932  | 10,817                                  | 932                                     |
| d       | Other banking operations  | 513  | 89   | 513                                     | 89                                      |
| e       | Unallocated   | 2,736  | 1,348  | 2,736                                   | 1,348                                   |
|         | <b>Total</b>  | <b>88,063</b>                                  | <b>53,978</b>                                  | <b>88,063</b>                           | <b>53,978</b>                           |

Note:

- [ Inter-segment revenue is based on internally approved yield curve or at an agreed transfer rate on the funding provided by one business segment to another. Transaction cost is levied between segments on cost plus basis.

