

Date: 17.11.2021

To,

**The Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalai Street, Mumbai — 400001**

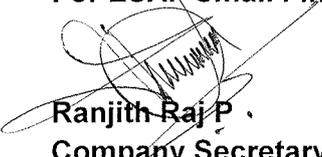
Sub: Unaudited Standalone Financial Results for the period ended September 30, 2021.

Pursuant to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR)") read with Regulation 52(4), we hereby enclose the Unaudited Standalone Financial Results along with the Limited Review Report for the period ended September 30, 2021. Disclosure of Asset cover under Regulation 54(3) is made along with the financial results.

We request you to please take the same on your record.

Thanking You,

For ESAF Small Finance Bank Limited

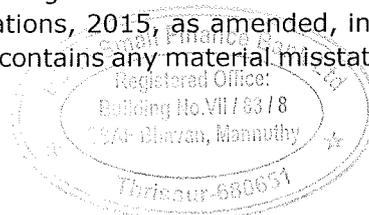

Ranjith Raj P .
Company Secretary and Compliance Officer
Mem No : A 30388



**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
ESAF SMALL FINANCE BANK LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **ESAF Small Finance Bank Limited** (the "Bank"), for the quarter and half year ended September 30, 2021 (the "Statement"), being submitted by the Bank pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Bank's Management and approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder, in so far as they apply to Banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Bank's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, the RBI Guidelines and other accounting principles generally accepted in India, in so far as they apply to Banks, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Deloitte Haskins & Sells

5. We draw attention to Note 8 to the Statement, which describes that the potential impact of the continuing COVID-19 pandemic on the Bank's results are dependent on future developments which are uncertain.

Our conclusion on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.117365W)



A handwritten signature in black ink, appearing to read "N. Daruwalla".

Neville M. Daruwalla
Partner
Membership No. 118784
(UDIN:21118784AAAAIB4689)

MUMBAI, November 6, 2021



ESAF SMALL FINANCE BANK LIMITED
 Building No.VII/83/8, ESAF Bhavan, Thrissur - Palakkad National Highway,
 Mannuthy, Thrissur, Kerala - 680651
 CIN : U65990KL2016PLC045669

Statement of unaudited financial results for the quarter and half year ended 30 September 2021

Rs. In Lakh

| Particulars | Quarter ended 30 September 2021 | Quarter ended 30 June 2021 | Half year ended 30 September 2021 | Half year ended 30 September 2020 | Year ended 31 March 2021 |
|--|---------------------------------------|-------------------------------|---|---|-----------------------------|
| | Unaudited | Unaudited (Refer Note 12) | Unaudited | Unaudited | Audited |
| I. INCOME | | | | | |
| Interest Earned | 43,063 | 40,624 | 83,687 | 84,290 | 1,64,117 |
| Other Income | 6,066 | 3,738 | 9,804 | 4,508 | 12,379 |
| Total | 49,129 | 44,362 | 93,491 | 88,798 | 1,76,496 |
| II. EXPENDITURE | | | | | |
| Interest expended | 18,685 | 18,349 | 37,034 | 35,700 | 71,958 |
| Operating Expenses | 20,732 | 15,460 | 36,192 | 26,598 | 63,186 |
| Provisions and Contingencies | 18,875 | 12,138 | 31,013 | 13,458 | 30,813 |
| Total | 58,292 | 45,947 | 1,04,239 | 75,756 | 1,65,957 |
| III. PROFIT | | | | | |
| Net (Loss)/ Profit for the Period/Year (I - II) | (9,163) | (1,585) | (10,748) | 13,042 | 10,539 |
| Analytical Ratios | | | | | |
| (i) Capital Adequacy Ratio | 20.84% | 25.02% | 20.84% | 24.29% | 24.23% |
| (ii) Earnings Per Share (EPS) (Face value of Rs.10/- each) * | | | | | |
| - Basic (Rs.) | (2.04) | (0.35) | (2.39) | 3.05 | 2.46 |
| - Diluted (Rs.) | (2.04) | (0.35) | (2.39) | 3.05 | 2.46 |
| NPA Ratio | | | | | |
| a) Gross NPA | 59,731 | 84,233 | 59,731 | 9,761 | 56,400 |
| Net NPA | 19,276 | 45,065 | 19,276 | 1,352 | 31,658 |
| b) % of Gross NPA | 6.31% | 10.39% | 6.31% | 1.32% | 6.70% |
| % of Net NPA | 2.13% | 5.84% | 2.13% | 0.19% | 3.88% |
| c) Return on Assets * | (0.70%) | (0.13%) | (0.85%) | 1.24% | 0.95% |
| d) Networth | 1,24,458 | 1,33,621 | 1,24,458 | 1,21,451 | 1,35,206 |
| e) Outstanding redeemable preference shares | - | - | - | - | - |
| f) Capital Redemption Reserve | - | - | - | - | - |
| g) Debt - Equity Ratio | 1.03 | 0.91 | 1.03 | 0.82 | 0.92 |
| h) Total debts to total assets | 10.50% | 10.50% | 10.50% | 12.43% | 13.73% |

* Quarterly / Half yearly numbers are not annualised

Networth represents sum of Capital and Reserves & Surplus

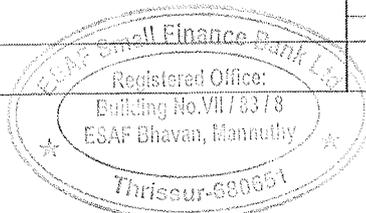
Debt represents borrowings with residual maturity of more than one year. Total debt represents total borrowings.

Notes :

1. Statement of Assets and Liabilities

Rs.In Lakh

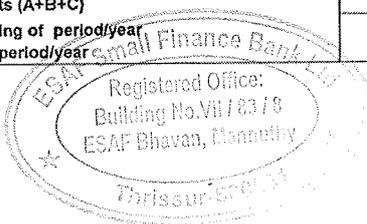
| Particulars | As at 30 September 2021 | As at 31 March 2021 |
|--|-------------------------------|------------------------|
| | Unaudited | Audited |
| CAPITAL AND LIABILITIES | | |
| Capital | 44,947 | 44,947 |
| Employee Stock options Outstanding | 165 | - |
| Reserves and Surplus | 79,511 | 90,259 |
| Deposits | 10,68,833 | 8,99,943 |
| Borrowings | 1,46,300 | 1,69,400 |
| Other Liabilities and Provisions | 53,167 | 29,316 |
| Total | 13,92,923 | 12,33,865 |
| ASSETS | | |
| Cash and Balances with Reserve Bank of India | 52,860 | 42,807 |
| Balances with Banks and Money at Call and Short Notice | 86,460 | 1,39,105 |
| Investments | 2,99,237 | 1,93,207 |
| Advances | 9,06,656 | 8,16,759 |
| Fixed Assets | 13,869 | 13,851 |
| Other Assets | 33,841 | 28,136 |
| Total | 13,92,923 | 12,33,865 |
| Contingent Liabilities | 145 | 150 |
| Bills for collection | - | - |



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2) Cash Flow Statement for the half year ended 30 September 2021 is given below:

| Particulars | Rs. in Lakh | |
|---|---|-----------------------------|
| | Half year ended 30 September 2021 | Year ended 31 March 2021 |
| | Unaudited | Audited |
| Cash Flow from Operating Activities | | |
| Net (Loss)/Profit before tax | (14,247) | 14,137 |
| Adjustments for: | | |
| Depreciation on Bank's Property | 1,570 | 2,857 |
| Amortisation of Premium on HTM Investments | 409 | 685 |
| Profit on sale of investments (net) | (3,805) | (2,304) |
| (Profit)/Loss on sale of Fixed Assets | - | 233 |
| Provision for Non Performing Advances | 15,714 | 18,873 |
| Provision for Standard Advances | 18,700 | 9,255 |
| Expense on Employee Stock Option | 165 | - |
| Provision for Depreciation on Investments | 65 | (114) |
| Provision/(Reversal) for Other Contingencies | 153 | (571) |
| | 18,724 | 43,051 |
| (Increase)/ Decrease in Investments (other than HTM Investments) | (72,818) | 40,754 |
| (Increase)/ Decrease in Advances | (1,05,611) | (1,80,849) |
| (Increase)/ Decrease in Fixed Deposit with Bank (Original Maturity greater than 3 months) | - | 22,643 |
| (Increase)/ Decrease in Other Assets | (2,119) | (4,240) |
| Increase/ (Decrease) in Deposits | 1,68,890 | 1,97,104 |
| Increase/ (Decrease) in Other liabilities and provisions | 4,997 | 5,213 |
| Direct taxes paid (net) | (87) | (10,931) |
| Net Cash Flow from/(used In) Operating Activities (A) | 11,976 | 1,12,745 |
| Cash Flow from/(Used In) Investing Activities | | |
| Purchase of Fixed Assets | (1,588) | (4,950) |
| Proceeds from Sale of Fixed Assets | - | 19 |
| (Increase)/ Decrease in Held to Maturity Investments | (29,881) | (58,864) |
| Net Cash Used In Investing Activities (B) | (31,469) | (63,795) |
| Cash Flow from/(Used In) Financing Activities | | |
| Proceeds from Issue of Share Capital (including Share Premium) | - | 16,259 |
| Increase/(Decrease) in Borrowings | (23,100) | 49,068 |
| Cash Flow from/(Used In) Financing Activities (C) | (23,100) | 65,327 |
| Net Increase In Cash and Cash Equivalents (A+B+C) | (42,593) | 1,14,277 |
| Cash and Cash Equivalents at the beginning of period/year | 1,81,881 | 67,604 |
| Cash and Cash Equivalents at the end of period/year | 1,39,288 | 1,81,881 |



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ESAF SMALL FINANCE BANK LIMITED
 Building No.VII/83/8, ESAF Bhavan, Thrissur - Palakkad National Highway,
 Mannuthy, Thrissur, Kerala - 680651
 CIN : U65990KL2016PLC045669

3. The statement of unaudited financial results for the quarter and half year ended 30 September 2021 ("Statement" or "financial results") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 6 November 2021.

4. The above financial results of the Bank have been prepared in all material aspects, in accordance with the generally accepted accounting principles in India ("Indian GAAP"), statutory requirements prescribed under the Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India ("RBI") from time to time and Accounting Standards as prescribed under section 133 of the Companies Act, 2013.

5. The Capital adequacy ratio ("CRAR") has been computed as per the Operating guidelines vide RBI notification RBI/2016-17/81 DBR NBD.NO 26/16.13.218/2016-17 dated 6 October 2016 ("the Operating guidelines") prescribed for Small Finance Bank. The Bank has followed Basel II standardised approach for credit risk in accordance with the operating guidelines issued by the RBI for Small Finance Banks. Further no separate capital charge for market risk and operational risk have been computed in view of the exception contained in RBI Notification DBR. NBD. NO. 4502/16.13.218/2017-18 dated 8 November 2017.

6. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated 6 August 2020 are given below.

(Rs. In Lakh except number of accounts)

| Type of Borrower | (A) Number of accounts where resolution plan has been implemented under this window | (B) Exposure to accounts mentioned at (A) before implementation of the plan | (C) Of (B), aggregate amount of debt that was converted into other securities | (D) Additional funding sanctioned, if any, including between invocation of the plan and implementation | (E) Increase in provisions on account of the implementation of the resolution * |
|-------------------|---|---|---|--|---|
| Personal Loans | 63 | 17 | - | - | 3 |
| Corporate Persons | - | - | - | - | - |
| Of Which MSMEs | - | - | - | - | - |
| Others | 571 | 1,695 | - | - | 182 |
| Total | 634 | 1,712 | - | - | 185 |

* Provision held as on 31 March 2021.

(Rs. In Lakh except number of accounts)

| Type of Borrower | Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half year ended March 31, 2021 (A) | of (A) aggregate debt that slipped into NPA during the half year | of (A) amount written off during the half year | of (A) amount paid by the borrowers during the half year | Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half year ended 30 September 2021 |
|-------------------|---|--|--|--|--|
| Personal Loans | 12 | 3 | - | 2 | 7 |
| Corporate Persons | - | - | - | - | - |
| Of Which MSMEs | - | - | - | - | - |
| Others | 1,638 | 630 | - | 42 | 985 |
| Total | 1,650 | 633 | - | 44 | 992 |

7. Details of resolution plan implemented under the RBI Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated 5 May 2021 are given below

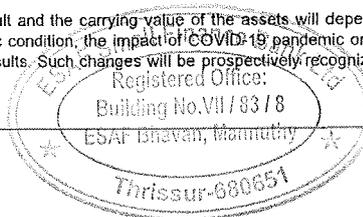
(Rs. In Lakh except number of accounts)

| Description | Individual borrowers | | Small Business |
|---|----------------------|----------------|----------------|
| | Personal Loans | Business Loans | |
| A) Number of requests received for invoking resolution process under Part A | 2,30,978 | 4,75,083 | - |
| B) Number of Accounts where resolution plan has been implemented under this window | 2,23,977 | 4,66,631 | - |
| C) Exposure to accounts mentioned at (B) before implementation of plan | 43,846 | 1,20,695 | - |
| D) of (C), aggregate amount of debt that was converted into other securities | - | - | - |
| E) Additional funding sanctioned, if any, including between invocation of the plan and implementation | - | - | - |
| F) Increase in provisions on account of the implementation of resolution plan * | 5,517 | 18,839 | - |

* Provision maintained as on 30 September 2021

8. The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant volatility in the financial markets and slowdown in the economic activities. Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional restrictions continued to be implemented in areas due to the "second wave" of COVID-19, which included a significant surge of COVID-19 cases. The second wave has started to subside from June 2021 onwards and there has been a lifting of lock downs resulting in a gradual increase in economic activity.

The extent to which the COVID -19 pandemic will ultimately impact the Bank's result and the carrying value of the assets will depend on future developments which are highly uncertain. Given the uncertainty over the potential macro-economic condition, the impact of COVID-19 pandemic on the financial performance may be different from that estimated as at the date of approval of these financial results. Such changes will be prospectively recognized. The Bank continues to closely monitor any anticipated material changes to future economic conditions.



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ESAF SMALL FINANCE BANK LIMITED
Building No.VII/83/8, ESAF Bhavan, Thrissur - Palakkad National Highway,
Mannuthy, Thrissur, Kerala - 680651
CIN : U65990KL2016PLC046669

9. During the Half year ended 30 September 2021, the Bank has granted 11,25,590 as loyalty grants under Employee Stock Purchase Scheme (ESPS) 2019. As per the RBI circular RBI/2021-22/9 OR.GOV.REC.44/29.67.001/2021-22 "Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff – Clarification" dated 30 August 2021 (the "RBI Guidelines on Compensation"), the Bank has identified material risk taker(s) and submitted to RBI. During the period no ESOP has been granted to the aforesaid eligible personnel, hence there is no impact on the results for the quarter and half year ended 30 September 2021 on account of fair valuation of options in accordance with RBI guidelines on compensation.

10. Based on RBI Master Direction on Financial Statements – Presentation and Disclosures issued on 30 August 2021, recoveries from written off accounts hitherto included as part of other income have been classified as a credit to provisions and contingencies and provision for depreciation on investments hitherto classified as part of provisions and contingencies has been reclassified as part of other income. Previous period figures have been reclassified as appropriate to make them comparable with current period figures. There is no impact of this change on the net profit/loss of the current or earlier periods.

11. The Bank has filed the Draft Red Herring Prospectus (DRHP) for Initial Public offer with Securities and Exchange Board of India on 24 July 2021 and received their final observations vide letter dated 20 October 2021.

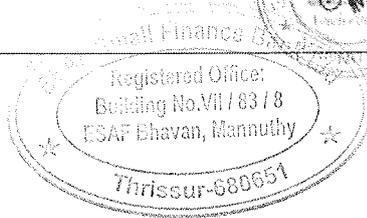
12. The figures of the Quarter ended 30 June 2021 have been derived as balancing figures between the amounts as per the unaudited financial results for the half year ended 30 September 2021 and the unaudited financial results for the Quarter ended 30 September 2021.

13. Figures for the previous period/year have been classified/regrouped wherever necessary, to conform to the current period /year classification.

Place : Mannuthy
Date : 6 November 2021



Kadambelli Paul Thomas
Managing Director & CEO
DIN: 00199925



Deloitte Haskins & Sells

Chartered Accountants

19th Floor, Shapath-V
S.G. Highway
Ahmedabad – 380 015
Gujarat, India
Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

The Board of Directors
ESAF Small Finance Bank Limited
ESAF Bhavan, Mannuthy
Thrissur – 680 651

Independent Auditors' Certificate on the "Statement of asset cover ratio and compliance with all the financial covenants in respect of non-convertible debt securities (NCDs) of ESAF Small Finance Bank Limited (the "Bank") as on and for the half-year ended September 30, 2021" (the "Statement")

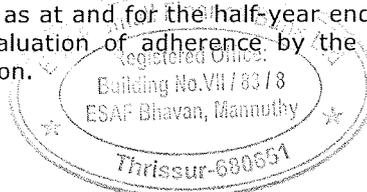
1. The certificate is issued in accordance with the terms of our engagement letter dated November 6, 2021.
2. We Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration Number 117365W), the Statutory Auditors of the Bank, have reviewed the unaudited books of account, financial results for the half-year ended September 30, 2021 and other relevant records and documents maintained by the Bank for the purpose of giving a limited assurance on the accompanying Statement, for submission to the Debenture Trustees of the listed non-convertible debt securities under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulation"), as amended. The Statement has been stamped by us for identification purpose only.

Management's Responsibility for the Statement

3. The preparation of the accompanying Statement from the unaudited books of accounts, financial results of the Bank as at and for the half-year ended September 30, 2021 and other relevant records and documents is the responsibility of the Management of the Bank, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Bank is responsible for maintaining the required asset cover and compliance with all the covenants and conditions mentioned in the Regulation in connection with the Statement.

Auditor's Responsibility

5. Our responsibility for the purpose of this certificate is to provide a limited assurance as to whether the particulars contained in the aforesaid Statement are in agreement with the unaudited books of account, financial results and other relevant records and documents maintained by the Bank as at and for the half-year ended September 30, 2021. This did not include the evaluation of adherence by the Bank with all the applicable guidelines of the Regulation.



Deloitte Haskins & Sells

6. The procedure performed in a limited assurance engagement vary in nature and timing from, and are less in extant than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have obtained had a reasonable assurance engagement been performed.
7. The financial results for the half-year ended September 30, 2021 have been reviewed by us, on which we issued an unmodified conclusion vide our report dated November 6, 2021(which includes an emphasis of matter paragraph on the uncertainty relating to COVID-19).
8. We carried out our review of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

10. Based on our review, as stated above, and according to the information, explanation and representations provided to us by the Management of the Bank, nothing has come to our attention that causes us to believe that the financial information as stated in the attached Statement as on September 30, 2021, read with the notes thereon, is not in agreement with the unaudited books of account, financial results for the half year ended September 30, 2021 and other relevant supporting documents maintained by the Bank.

Restriction on Use

11. This Certificate is addressed to and provided to the Board of Directors of the Bank solely for the purpose of submission to the Debenture Trustee under the Regulation and should not be used for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)



A handwritten signature in black ink, appearing to read "N. Daruwalla".

Neville M. Daruwalla
Partner
Membership No.118784
(UDIN: 21118784AAAAII9352)

MUMBAI, November 15, 2021



Statement of Asset Cover ratio and compliance with all the financial covenants in respect of non-convertible debt securities (NCDs) of ESAF Small Finance Bank Limited (the "Bank") as on and for the Half Year ended September 30, 2021

a) Listed debt securities:

| ISIN | Private Placement/ Public Issue | Secured/Unsecured | Issued amount (in Rs. Crore) |
|--|------------------------------------|-------------------|---------------------------------|
| No Debt Securities were issued during the period April 1, 2021 to September 30, 2021 | | | |

b) Asset Cover:

- i. The financial information as on September 30, 2021 has been extracted from the unaudited books of account for the half year ended September 30, 2021 and other relevant records of the Bank.
- ii. The assets of the Bank provide coverage of 1.00 times of interest and principal amount, which is in accordance with the terms of issue/debentures trust deed.

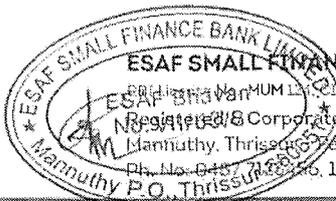
Refer table – I below for calculation of asset cover ratio for the Secured borrowings. The asset cover ratio has been determined for total secured borrowings considering the fact that the security provided is *pari passu* for all borrowings.

- iii. The net assets available for unsecured borrowings of the Bank provide coverage of 2.34 times of the principal outstanding.

Refer table – II for calculation of asset coverage ratio available for unsecured borrowings.

Table- I:

| Sr. No. | Particulars | | Amount (in Rs. Crore) |
|---------|--|--------------|-----------------------|
| i. | Total assets available for secured borrowings- (secured by either <i>pari passu</i> or exclusive charge on assets) | | |
| | Investments given as collateral to the Repo Borrowing | | 610.11 |
| | TOTAL | A | 610.11 |
| ii. | Total borrowing through issue of secured Debt Securities (secured by either <i>pari passu</i> or exclusive charge on assets) | | |
| | • Borrowings from Reserve Bank of India | | 596.00 |
| | • Interest accrued/payable on Secured Borrowings | | 14.11 |
| | TOTAL | B | 610.11 |
| iii. | Asset Coverage Ratio (100% or higher as per the terms of offer document/information memorandum/ debenture trust deed) | (A/B) | 100.00% |



ESAF SMALL FINANCE BANK LIMITED

Registered Office: ESAF Small Finance Bank Limited, Building No. VII/83/8, ESAF Bhavan, Mannuthy, Thrissur, Kerala.

Ph. No. 0487 746885, 123457, Email: customercare@esafbank.com www.esafbank.com

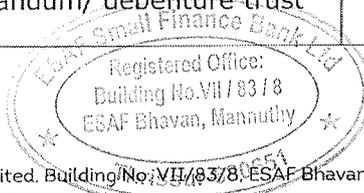


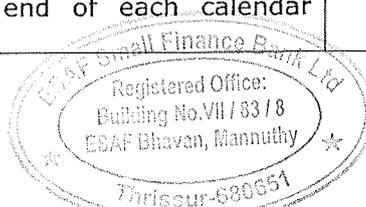
Table - II:

| Sr. No. | Particulars | | Amount (in Rs. Crore) | | | | | | | | | | | | | | | | | | |
|-------------------|--|--------------|--------------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|-------------------|-------|--|--|
| i. | Net assets of the Bank available for unsecured lenders (Property Plant & Equipment (excluding intangible assets and prepaid expenses) + Investments + Cash & Bank Balances + Other current/ Non-current assets excluding deferred tax assets and Prepaid expense (-) Total assets available for secured lenders/creditors on pari passu/exclusive charge basis under the above heads (-) unsecured current/ non-current liabilities (-) interest accrued/payable on unsecured borrowings) | A | 2,031.66 | | | | | | | | | | | | | | | | | | |
| ii. | Total Borrowings (unsecured) | B | 867.00 | | | | | | | | | | | | | | | | | | |
| | • Subordinate Debts | | 190.00 | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>ISIN Code</th> <th>Rs. in Crore</th> </tr> </thead> <tbody> <tr> <td>INE818W08057</td> <td>25.00</td> </tr> <tr> <td>INE818W08065</td> <td>20.00</td> </tr> <tr> <td>INE818W08032</td> <td>40.00</td> </tr> <tr> <td>INE879Q08036</td> <td>25.00</td> </tr> <tr> <td>INE879Q08028</td> <td>25.00</td> </tr> <tr> <td>INE818W08016</td> <td>20.00</td> </tr> <tr> <td>INE818W08024</td> <td>20.00</td> </tr> <tr> <td>Subordinated Loan</td> <td>15.00</td> </tr> </tbody> </table> | ISIN Code | Rs. in Crore | INE818W08057 | 25.00 | INE818W08065 | 20.00 | INE818W08032 | 40.00 | INE879Q08036 | 25.00 | INE879Q08028 | 25.00 | INE818W08016 | 20.00 | INE818W08024 | 20.00 | Subordinated Loan | 15.00 | | |
| ISIN Code | Rs. in Crore | | | | | | | | | | | | | | | | | | | | |
| INE818W08057 | 25.00 | | | | | | | | | | | | | | | | | | | | |
| INE818W08065 | 20.00 | | | | | | | | | | | | | | | | | | | | |
| INE818W08032 | 40.00 | | | | | | | | | | | | | | | | | | | | |
| INE879Q08036 | 25.00 | | | | | | | | | | | | | | | | | | | | |
| INE879Q08028 | 25.00 | | | | | | | | | | | | | | | | | | | | |
| INE818W08016 | 20.00 | | | | | | | | | | | | | | | | | | | | |
| INE818W08024 | 20.00 | | | | | | | | | | | | | | | | | | | | |
| Subordinated Loan | 15.00 | | | | | | | | | | | | | | | | | | | | |
| | • Perpetual debt instrument (ISIN Code: INE818W08073) | | 48.00 | | | | | | | | | | | | | | | | | | |
| | • Borrowings from other institutions and agencies | | 629.00 | | | | | | | | | | | | | | | | | | |
| iii. | Asset Coverage Ratio (100% or higher as per the terms of offer document/ information memorandum/ debenture trust deed) | (A/B) | 234.33% | | | | | | | | | | | | | | | | | | |

Note: The above ratio is a disclosure as per said SEBI circular; should not construe as security provided by the Company to Unsecured lenders and shall not form basis for litigation in any Court of Law.

c) Compliance of all the Financial covenants/terms of the issue in respect of listed debt securities of the listed entity

| NCD series | Financial Covenant | As of September 30, 2021 | Status |
|--|---|--------------------------|---------------|
| 17.23% EMIPL 2021 ISIN: (INE879Q08028) | Maintain Capital Adequacy Ratio of at least 15% of all times calculated according with the capital adequacy standards as established by the RBI | 20.84% | Complied |
| | Maintain a PAR Ratio over 90 days of not greater than 3% which shall be tested at the end of each calendar month | 6.31% | Not Complied* |



| NCD series | Financial Covenant | As of September 30, 2021 | Status |
|--|---|--------------------------|---------------|
| | Maintain a minimum rating of BBB+ on the Debentures and its other Debts. | BWR A Stable | Complied |
| 16.83% EMIPL 2021 ISIN: (INE879Q08036) | Maintain Capital Adequacy Ratio of at least 15% of all times calculated according with the capital adequacy standards as established by the RBI | 20.84% | Complied |
| | Maintain a PAR Ratio over 90 days of not greater than 3% which shall be tested at the end of each calendar month | 6.31% | Not Complied* |
| | Maintain a minimum rating of BBB+ on the Debentures and its other Debts. | BWR A Stable | Complied |

Note:

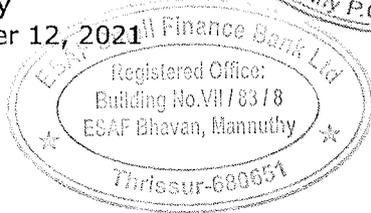
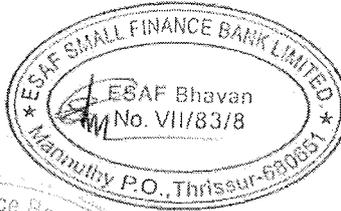
The higher PAR ratio is primarily on account of the continuing impact of the COVID 19 pandemic including second wave which had impacted the economy as a whole. Repayment capacity of many of the borrowers were affected due to the various restrictions and lockdowns imposed by the local authorities and government. Hence many of the establishments and business could not perform normally as of previous years. This had affected the loan repayments to a larger extent.

For **ESAF Small Finance Bank Limited**


Ranjith Raj
Company Secretary

Place: Mannuthy

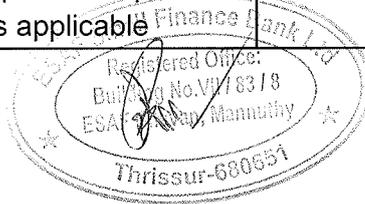
Date : November 12, 2021



Annexure

Disclosure in Compliance with Regulation 52 (4) of SEBI (LODR) Regulations, 2015 for the Quarter and Half Year ended September 30, 2021

| | | For the Quarter ended 30th September, 2021 | For the Half Year ended 30th September, 2021 |
|----|---|--|--|
| 1 | Debt Service Coverage Ratio | NA | NA |
| 2 | Interest Service Coverage Ratio | NA | NA |
| 3 | Outstanding Redeemable Preference Shares | NA | NA |
| 4 | Capital Redemption Reserve/ Debenture Redemption Reserve | NA | NA |
| 5 | Current Ratio | NA | NA |
| 6 | Long term Debt to Working Capital | NA | NA |
| 7 | Bad Debts to Account Receivable Ratio | NA | NA |
| 8 | Current Liability Ratio | NA | NA |
| 9 | Debtors Turnover | NA | NA |
| 10 | Inventory Turnover | NA | NA |
| 11 | Operating Margin | NA | NA |
| 12 | Net Profit Margin | NA | NA |
| 13 | Sector Specific Equivalent Ratios, as applicable | Disclosed in the Financial Results | Disclosed in the Financial Results |



Date: 17.11.2021

To,

The Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalai Street, Mumbai — 400001

Sub: Pursuant to Regulation 52(7) and Regulation 52 (7A) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we are furnishing herewith following information for the quarter and half year ended September 30, 2021

| Regulation | Particulars | Details |
|------------|---|---|
| 52 (7) | Statement Indicating the utilization of issue proceeds of non-convertible securities which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved. | The proceeds of Non-convertible debentures issued till 30th September 2021 have been fully utilized for the purpose for which these proceeds were raised. |
| 52 (7A) | In case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by the Board. | There is no deviation in the utilization of proceeds of Non-Convertible debentures in comparison to the object of the issue. |

Requesting you to kindly take the same on your record.

For ESAF Small Finance Bank Limited



Ranjith Raj P.
Company Secretary and Compliance Officer
Mem No : A 30388



ESAF SMALL FINANCE BANK LIMITED

RBI License No.: MUM 124, CIN: U65990KL2016PLC045669

Registered & Corporate Office: ESAF Small Finance Bank Limited, Building No. VII/83/8, ESAF Bhavan, Mannuthy, Thrissur - Palakkad National Highway, Thrissur - 680 651, Kerala.

Ph. No: 0487 7123456 Email: customercare@esafbank.com www.esafbank.com