

Ref No: 05/SE/CS/NOV/2024-25

Date: November 13, 2024

To,

<b>Listing Department</b> <b>BSE Limited</b> <b>Phiroze Jeejeebhoy Towers,</b> <b>Dalal Street, Mumbai – 400001</b>	<b>Listing &amp; Compliance Department</b> <b>National Stock Exchange of India Limited</b> <b>Exchange Plaza, 5<sup>th</sup> Floor</b> <b>Plot No. C/1, “G” Block</b> <b>Bandra- Kurla Complex</b> <b>Bandra(E), Mumbai- 400051</b>
<b>BSE Scrip Code: 544020</b>	<b>NSE Symbol: ESAFSFB</b>

Dear Sir / Madam,

**Sub: Disclosure under Regulations 30 and 51 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Outcome of Board Meeting held on Wednesday, November 13, 2024**

In continuation to our intimation dated November 05,2024 and pursuant to Regulation 30 and 51 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we hereby inform that, the Board of Directors of the Bank, in its meeting held on Wednesday, November 13, 2024, has, inter alia, considered and approved the Unaudited Standalone Financial Results of the Bank for the quarter and half year ended September 30, 2024, along with the Limited Review Report thereon issued by the Joint Statutory Auditors of the Bank, M/s. Abarna and Ananthan, Chartered Accountants and M/s. Kirtane and Pandit, Chartered Accountants.

We hereby confirm and declare that the Joint Statutory Auditors have issued the Limited Review Report for the period ended September 30, 2024 with an unmodified opinion.

A copy of aforesaid Unaudited Financial Results and Limited Review Report thereon are enclosed herewith. The press release and the investor presentation on financial and business performance of the Bank will be submitted through a separate announcement.

The Board Meeting commenced at 12:00 Noon and concluded at 05:00 P.M. You are requested to take note of the above.

**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, 123457, Email: customercare@esafbank.com [www.esafbank.com](http://www.esafbank.com)

The above announcements are also being made available on the website of the Bank at [www.esafbank.com](http://www.esafbank.com).

Requesting you to take the same into your records.

Thanking you,

Yours Faithfully  
**For ESAF Small Finance Bank Limited**

**Ranjith Raj. P**  
**Company Secretary and Compliance Officer**

**Abarna & Ananthan**

Chartered Accountants  
521, 3<sup>rd</sup> Main Road, 2<sup>nd</sup> Phase,  
6<sup>th</sup> Block, Banashankari 3<sup>rd</sup> Stage,  
Bengaluru, Karnataka 560 085, India  
Tel: +91 080 88800 97322 / 2642 6022  
Fax: +91 080 2672 7430

**Kirtane & Pandit LLP**

Chartered Accountants  
601,6th Floor  
Earth Vintage Building,  
Dadar West,  
Mumbai 400 028, India,  
Tel: +91 022 69328846 /47

**Independent Auditor's Review Report for the quarter and half year ended September 30, 2024 on Unaudited Financial Results of ESAF Small Finance Bank Limited pursuant to the Regulation 33 and 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.**

To  
The Board of Directors  
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, 2024 (the "Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")
2. The Bank's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Accounting Standard 25 – Interim Financial Reporting ('AS 25') prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, 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 (the 'RBI Guidelines') and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Bank's Board of Directors. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons 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) 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.



**Abarna & Ananthan**

**Kirtane & Pandit LLP**

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 specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the RBI Guidelines and other accounting principles generally accepted in India, in so far as they apply to the banks, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by RBI in respect of income recognition, asset classification, provisioning and other related matters.
5. The corresponding figures for the corresponding quarter and half year ended September 30, 2023 were reviewed by one the joint auditor Abarna & Ananthan who expressed an unmodified conclusion. Accordingly, Kirtane & Pandit LLP, Chartered Accountants, do not express any conclusion on the comparative figures reported for the previous periods.

For **Abarna & Ananthan**  
Chartered Accountants  
(Firm Registration No. 000003S)

For **Kirtane & Pandit LLP**  
Chartered Accountants  
(Firm Registration No.  
105215W/W100057)



**Mohan Rao G**  
Partner  
Membership No. 203737



UDIN: 24203737BKHAGQ9968  
Place: Mannuthy  
Date: November 13, 2024



**Sandeep Welling**  
Partner  
Membership No. 044576



UDIN: 24044576BKAULE7484  
Place: Mannuthy  
Date: November 13, 2024

## Statement of unaudited financial results for the quarter and half year ended 30 September 2024

Rs. In Lakhs

SI No.	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	99,643	1,02,247	94,337	2,01,890	1,84,214	3,81,853
	a) Interest/discount on advances/bills	87,835	91,771	85,428	1,79,606	1,67,513	3,46,142
	b) Income on investments	9,485	9,285	8,748	18,770	16,528	35,295
	c) Interest on balances with Reserve Bank of India and other inter-bank funds	2,323	1,191	161	3,514	173	416
	d) others	-	-	-	-	-	-
2	Other Income	9,658	11,527	7,891	21,185	17,192	44,172
3	<b>Total Income (1)+(2)</b>	<b>1,09,301</b>	<b>1,13,774</b>	<b>1,02,228</b>	<b>2,23,075</b>	<b>2,01,406</b>	<b>4,26,025</b>
4	Interest expended	45,607	43,410	34,679	89,017	66,008	1,44,873
5	Operating Expenses (i)+(ii)	49,391	44,960	38,584	94,351	76,366	1,64,883
	i) Employees Cost	19,306	10,348	8,909	29,654	16,896	36,297
	ii) Other operating expenses	30,085	34,612	29,675	64,697	59,470	1,28,586
6	<b>Total Expenditure (4)+(5)</b> (excluding provisions & contingencies)	<b>94,998</b>	<b>88,370</b>	<b>73,263</b>	<b>1,83,368</b>	<b>1,42,374</b>	<b>3,09,756</b>
7	<b>Operating Profit before provisions and contingencies (3)-(6)</b>	<b>14,303</b>	<b>25,404</b>	<b>28,965</b>	<b>39,707</b>	<b>59,032</b>	<b>1,16,269</b>
8	Provisions (other than tax) and contingencies	33,969	16,912	10,136	50,881	22,829	59,228
9	Exceptional items (Refer Note 14)	5,800	-	-	5,800	-	-
10	<b>Profit/(Loss) from ordinary activities before tax (7)-(8)-(9)</b>	<b>(25,466)</b>	<b>8,492</b>	<b>18,829</b>	<b>(16,974)</b>	<b>36,203</b>	<b>57,041</b>
11	Tax expenses	(6,459)	2,215	4,817	(4,244)	9,195	14,484
12	<b>Net profit/(Loss) from ordinary activities after tax (10)-(11)</b>	<b>(19,007)</b>	<b>6,277</b>	<b>14,012</b>	<b>(12,730)</b>	<b>27,008</b>	<b>42,557</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Net Profit / (Loss) for the Period/ year (12)-(13)</b>	<b>(19,007)</b>	<b>6,277</b>	<b>14,012</b>	<b>(12,730)</b>	<b>27,008</b>	<b>42,557</b>
15	Paid up equity share capital (Face Value of Rs. 10/- each)	51,487	51,478	44,947	51,487	44,947	51,478
16	Reserves excluding revaluation reserves	-	-	-	-	-	1,97,133
17	<b>Analytical Ratios and other disclosures</b>						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital Adequacy Ratio - Basel II (Refer Note 7)	23.16%	23.46%	20.57%	23.16%	20.57%	23.27%
	(iii) Earnings Per Share (EPS) [before and after extraordinary items, net of expenses] (Face value of Rs.10/- each) *						
	- Basic (Rs.)	(3.69)	1.22	3.12	(2.47)	6.01	8.96
	- Diluted (Rs.)	(3.69)	1.22	3.11	(2.47)	6.00	8.94
	(iv) NPA Ratio						
	(a) Gross NPA	1,27,933	1,24,211	39,912	1,27,933	39,912	89,304
	(b) Net NPA	52,494	58,379	17,767	52,494	17,767	41,379
	(c)% of Gross NPA to Gross Advances	6.98%	6.61%	2.64%	6.98%	2.64%	4.76%
	(d) % of Net NPA to Net Advances	2.98%	3.22%	1.19%	2.98%	1.19%	2.26%
	(v) Return on Assets *	(0.70)%	0.24%	0.66%	(0.48)%	1.27%	1.86%
	(vi) Network #	2,33,300	2,55,840	1,97,921	2,33,300	1,97,921	2,48,611
	(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
	(viii) Capital Redemption Reserve/ Debenture Redemption	-	-	-	-	-	-
	(ix) Debt - Equity Ratio **	0.75	0.76	0.94	0.75	0.94	0.83
	(x) Total debts ** to total assets	8.04%	10.69%	10.92%	8.04%	10.92%	12.35%

\* Quarterly and half yearly numbers are not annualised

#Network represents sum of Capital and Reserves &amp; Surplus

\*\*Debt represents borrowings with residual maturity of more than one year. Total debt represents total borrowings. Equity represents sum of Capital and Reserves &amp; Surplus

As per regulation 33 and regulation 52(4) of SEBI (Listing obligations &amp; Disclosure Requirements) regulations, 2015 the equity and debt listed entities are required to disclose certain ratios. The ratios which are relevant to the Banking sector are disclosed above.




**Notes:**

**1. Segment information in accordance with the RBI guidelines and Accounting Standard 17-"Segment Reporting"**

SI	Particulars	Rs. In Lakhs					
		Quarter ended			Half Year ended		Year ended
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
<b>1</b>	<b>Segment Revenue</b>						
(a)	Retail	88,449	96,350	89,750	1,84,799	1,76,308	3,64,261
(b)	Wholesale	3,578	3,225	2,071	6,803	4,080	9,429
(c)	Treasury	14,434	11,502	8,809	25,936	17,777	39,906
(d)	Other Banking Operations	2,840	2,697	1,598	5,537	3,241	12,429
(e)	Less: Inter Segment Revenue	-	-	-	-	-	-
	<b>Income from operations</b>	<b>1,09,301</b>	<b>1,13,774</b>	<b>1,02,228</b>	<b>2,23,075</b>	<b>2,01,406</b>	<b>4,26,025</b>
<b>2</b>	<b>Segment Results</b>						
(a)	Retail	(33,844)	3,420	16,134	(30,424)	29,163	34,460
(b)	Wholesale	3,347	1,279	965	4,626	1,913	5,470
(c)	Treasury	2,385	1,291	135	3,676	1,973	5,298
(d)	Other Banking Operations	2,646	2,502	1,595	5,148	3,154	11,813
	<b>Total Profit/(Loss) Before Tax</b>	<b>(25,466)</b>	<b>8,492</b>	<b>18,829</b>	<b>(16,974)</b>	<b>36,203</b>	<b>57,041</b>
<b>3</b>	<b>Segment Assets</b>						
(a)	Retail	17,11,622	17,63,360	14,90,301	17,11,622	14,90,301	17,93,145
(b)	Wholesale	1,24,349	1,08,622	66,073	1,24,349	66,073	97,718
(c)	Treasury	7,94,427	7,84,999	6,57,296	7,94,427	6,57,296	6,90,503
(d)	Unallocated	34,231	26,482	23,179	34,231	23,179	27,323
	<b>Total Assets</b>	<b>26,64,629</b>	<b>26,83,463</b>	<b>22,36,849</b>	<b>26,64,629</b>	<b>22,36,849</b>	<b>26,08,689</b>
<b>4</b>	<b>Segment Liabilities</b>						
(a)	Retail	17,29,549	18,55,590	14,64,091	17,29,549	14,64,091	17,11,980
(b)	Wholesale	1,15,754	86,930	55,879	1,15,754	55,879	86,657
(c)	Treasury	5,33,504	4,32,746	4,83,412	5,33,504	4,83,412	5,10,397
(d)	Capital & Reserves	2,33,300	2,56,160	1,97,921	2,33,300	1,97,921	2,48,611
(e)	Unallocated	52,522	52,037	35,546	52,522	35,546	51,044
	<b>Total Liabilities</b>	<b>26,64,629</b>	<b>26,83,463</b>	<b>22,36,849</b>	<b>26,64,629</b>	<b>22,36,849</b>	<b>26,08,689</b>

**Notes:**

- The business of the Bank is confined within India and does not have any assets situated outside India or earnings from outside India. Accordingly, the Bank has reported operations in domestic segment only.
- Income, expenses, assets and liabilities have been either specifically identified to individual segments or allocated to segments based on matching principle and the residual items are classified as unallocated.
- Unallocated item includes Capital expenditure, deferred income tax assets/ liabilities and advance tax etc.
- In computing the above information, certain estimates and assumptions have been made by the management and have been relied upon by the auditors.
- The RBI vide its Circular dated April 7, 2022 on establishments of Digital Banking Units (DBUs) has prescribed reporting of Digital Banking Segments as a sub segment of Retail Banking Segment (RBS). The Bank has not set up any DBU so far and hence DBU has not been disclosed as a separate segment as per Accounting Standard 17 (Segment Reporting).




2. Statement of Assets and Liabilities

Particulars	Rs.in Lakhs	
	As at 30 September 2024	As at 31 March 2024
	Unaudited	Audited
<b>CAPITAL AND LIABILITIES</b>		
Capital	51,487	51,478
Employee Stock options Outstanding	694	568
Reserves and Surplus	1,81,813	1,97,133
Deposits	21,61,350	19,86,780
Borrowings	2,14,113	3,22,253
Other Liabilities and Provisions	55,172	50,477
<b>Total</b>	<b>26,64,629</b>	<b>26,08,689</b>
<b>ASSETS</b>		
Cash and Balances with Reserve Bank of India	1,11,594	1,36,465
Balances with Banks and Money at Call and Short Notice	1,02,255	5,828
Investments	5,91,558	5,54,102
Advances	17,58,562	18,29,311
Fixed Assets	21,840	20,755
Other Assets	78,820	62,228
<b>Total</b>	<b>26,64,629</b>	<b>26,08,689</b>



C



3. Statement of Cash Flow is given below:

Particulars	Rs. In Lakhs	
	Half Year ended 30 September 2024	Year ended 31 March 2024
	Unaudited	Audited
<b>Cash Flow from Operating Activities</b>		
<b>Net Profit/(Loss) Before Tax</b>	(16,974)	57,041
<b>Adjustments for:</b>		
Depreciation on Bank's Property	2,846	5,099
Amortisation of Premium on HTM Investments	25	648
(Profit)/Loss on sale of investments (net)	(3,233)	(2,065)
(Profit )/Loss on sale of Fixed Assets	(3)	(9)
Provision for Non Performing Advances	70,498	58,902
Provision/(Reversal) for Standard Advances	604	2,043
Expense/(reversal) on Employee Stock Option	179	(20)
Profit on revaluation of investments (Net)	(338)	(2,017)
Provision for Other Contingencies	31	(740)
	<b>53,635</b>	<b>1,18,882</b>
(Increase)/ Decrease in Investments (other than HTM Investments)	(21,067)	(10,615)
(Increase)/ Decrease in Advances	251	(4,95,780)
(Increase)/ Decrease in Fixed Deposit with Bank (Original Maturity greater than 3 months)	-	(238)
(Increase)/ Decrease in Other Assets	(10,769)	(16,629)
Increase/ (Decrease) in Deposits	1,74,569	5,20,218
Increase/ (Decrease) in Other liabilities and provisions	4,060	287
Direct taxes paid (net)	(1,899)	(16,033)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>1,98,780</b>	<b>1,00,092</b>
<b>Cash Flow from/(Used in) Investing Activities</b>		
Purchase of Fixed Assets	(3,957)	(7,141)
Proceeds from Sale of Fixed Assets	29	88
(Increase)/ Decrease in Held to Maturity Investments	(11,570)	(51,200)
<b>Net Cash Used in Investing Activities (B)</b>	<b>(15,498)</b>	<b>(58,253)</b>
<b>Cash Flow from/(Used in) Financing Activities</b>		
Proceeds from Issue of Share Capital (including Share Premium)	18	39,070
Share Issue Expenses	-	(2,393)
Dividend Paid	(3,603)	-
Increase/(Decrease) in Borrowings	(1,08,140)	(13,167)
<b>Cash Flow from/(used in) Financing Activities (C )</b>	<b>(1,11,725)</b>	<b>23,510</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>71,557</b>	<b>65,349</b>
Cash and Cash Equivalents at the beginning of period/ year	1,41,991	76,642
Cash and Cash Equivalents at the end of period/year	2,13,548	1,41,991




4. The statement of unaudited financial results for the quarter and half year ended 30 September 2024 ("Statement" or "financial results") have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 13 November 2024 in accordance with the requirement of Regulation 33 and Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Regulations") as amended. The results have been subjected to limited review by the Joint Statutory auditors and an unmodified opinion has been issued by them thereon.

The comparative financial information of the Bank included in the Statement with respect to quarter and half year ended 30 September 2023 have been reviewed/ audited by M/s. Deloitte Haskins & Sells and M/s. Abarna & Ananthan (one of the current Joint auditors), who had expressed an unmodified conclusion/opinion.

5. The above financial results of the Bank has been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standard) Rules, as amended and applicable to the Banks, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended and guidelines issued by Reserve Bank of India (RBI).

6. The Bank has applied significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended 31 March 2024, except as stated in note 12 below. Any circulars/ directions issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars/ directions.

7. The Capital Adequacy Ratio ("CRAR") has been computed as per the Operating guidelines in the 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 has been computed in view of the exception contained in RBI Notification DBR. NBD. NO. 4502/16.13.218/2017-18 dated 8 November 2017.

8. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated 6 August 2020 (Resolution Framework 1.0) and 5 May 2021 (Resolution framework 2.0) are given below:

Type of Borrower	Rs. In Lakhs				
	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half year ended 31 March 2024 (A)	of (A) aggregate debt that slipped into NPA during the half year ended 30 September 2024	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 2024
Personal Loans	490	16	-	66	408
Corporate Persons *	-	-	-	-	-
Of Which MSMEs	-	-	-	-	-
Others	634	34	-	116	484
<b>Total</b>	<b>1,124</b>	<b>50</b>	<b>-</b>	<b>182</b>	<b>892</b>

\* As defined in section 3(7) of Insolvency and Bankruptcy Code, 2016

# Amount paid by borrower during the half year is net of addition in the borrower amount due to fresh disbursement made, if any.

9. (i) During the half year ended 30 September 2024, the bank has not acquired / transferred any "loans not in default" through assignment of loans.  
(ii) During the half year ended 30 September 2024, the bank has not acquired/ transferred any stressed loans (Non-performing Asset and Special Mention Account).

iii) Details of ratings of SRs outstanding as on 30 September 2024 are given below:

Ratings	Rating Agency	Recovery Rating	Rs.in Lakhs
			Gross Value of Outstanding SRs
RR3	Crisil	50% and upto 75%	6,073.94*

\* the same has been carried at Rs.2/- in books of account

10. The Bank is carrying an additional contingency provision on standard assets of Rs. 4,626 Lakhs as on 30 September 2024 (Rs. 3,474 Lakhs as on 30th June 2024, Rs. 3,594 Lakhs as on 30 June 2024 and Rs. 1,998 Lakhs as on 30 September 2023).

11. Other income includes processing fee, profit/ loss on sale of investments (net off provision for depreciation), recovery from loans written off, income from dealing in PSLC, Collection Agency Fees from Asset Reconstruction Companies (ARC).

12. During the quarter ended 30 June 2024, the Bank implemented the RBI Master Direction - Classification, Valuation, and Operation of Investment Portfolio of Commercial Banks (Directions), 2023, dated 12 September 2023. This directive is applicable to banks from 1 April 2024. Consequent to the transition provisions, the Bank has recognised net gain of Rs. 951.73 lakhs (net of taxes) which has been credited to General Reserve as on 01 April 2024, on account of revision in the carrying value of investments to the fair value as on such date. The impact of the revised framework for the period subsequent to transition is not ascertainable, making the income/profit or loss from investments for the quarter and half year ended 30 September 2024, incomparable with the previous period/year.

13. During the quarter ended 30 September 2024, the Bank has allotted 94,038 equity shares pursuant to the exercise of options under the approved employee stock option scheme

14 The Board of Directors at their meeting held on June 14, 2024, had taken a strategic decision to reduce concentration risk associated with dependence on business correspondents and had decided to modify the existing arrangement with M/s. ESAF Swasraya Multi State Agro Co-operative Society Limited ("ESMACO"), the largest business correspondent and one of the promoter group entities of the Bank from 1 July 2024.

In terms of the modified arrangement the Bank had absorbed 5,109 trained employees of ESMACO and had agreed to compensate ESMACO Rs 5,800 lakhs (inclusive of GST) being the value addition for sourcing and training the staff which otherwise the Bank would have had to incur based on an independent external valuation. These employees would be eligible to all the benefits similar to the Bank staff from 1 July 2024. Accordingly Rs. 5,800 Lakhs is reported as an exceptional item for the quarter and half year ended 30 September 2024.

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

Place : Mannuthy  
Date : 13 November 2024



Kadambelli Paul Thomas  
Managing Director & CEO  
DIN: 00199925

