

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 33 and Regulation 52 read with Regulation 63(2) 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.
5. The Statement includes comparative financial information for the previous reporting periods of quarter and half year ended September 30, 2022, which were reviewed by Deloitte Haskins & Sells, Chartered Accountants, one of the joint statutory auditors of the Bank, who have expressed an unmodified conclusion. Accordingly, Abarna & Ananthan, Chartered Accountants, do not express any conclusion on the comparative figures reported for the aforesaid previous periods.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No. 117365W)


G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 23109839BGXQLQ2395
Place: Mannuthy
Date: November 18, 2023



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


Mohan Rao G.
Partner
Membership No. 203737
UDIN: 23203737BGZDEY9836
Place: Mannuthy
Date: November 18, 2023



Statement of unaudited financial results for the quarter and half year ended 30 September 2023

Rs. In Lakh

Sl No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Half Year	Half Year	Year ended
		30 September 2023	30 June 2023	30 September 2022	ended 30 September 2023	ended 30 September 2022	31 March 2023
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	94,329	89,875	68,819	1,84,204	1,37,850	2,85,366
	a) Interest/discount on advances/bills	85,420	82,083	60,289	1,67,503	1,22,085	2,53,205
	b) Income on investments	8,748	7,780	8,058	16,528	14,849	31,204
	c) Interest on balances with Reserve Bank of India and other inter-bank funds	161	12	472	173	916	957
	d) others	-	-	-	-	-	-
2	Other Income	7,899	9,303	6,504	17,202	11,305	28,791
3	Total Income (1)+(2)	1,02,228	99,178	75,323	2,01,406	1,49,155	3,14,157
4	Interest expended	34,679	31,329	25,092	66,008	49,248	1,01,732
5	Operating Expenses (i)+(ii)	38,584	37,782	29,148	76,366	56,296	1,23,054
	i) Employees Cost	8,909	7,987	7,062	16,896	13,162	27,800
	ii) Other operating expenses	29,675	29,795	22,086	59,470	43,134	95,254
6	Total Expenditure (4)+(5) (excluding provisions & contingencies)	73,263	69,111	54,240	1,42,374	1,05,544	2,24,786
7	Operating Profit before provisions and contingencies (3)-(6)	28,965	30,067	21,083	59,032	43,611	89,371
8	Provisions (other than tax) and contingencies	10,136	12,693	13,370	22,829	21,732	48,767
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7)-(8)-(9)	18,829	17,374	7,713	36,203	21,880	40,604
11	Tax expenses	4,817	4,378	1,955	9,195	5,525	10,371
12	Net profit from ordinary activities after tax (10)-(11)	14,012	12,996	5,758	27,008	16,355	30,233
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit for the Period/ year (12)-(13)	14,012	12,996	5,758	27,008	16,355	30,233
15	Paid up equity share capital (Face Value of Rs. 10/- each)	44,947	44,947	44,947	44,947	44,947	44,947
16	Reserves excluding revaluation reserves	-	-	-	-	-	1,25,965
17	Analytical Ratios and other disclosures						
	(i) Percentage of shares held by Government of India	-	-	-	-	-	-
	(ii) Capital Adequacy Ratio - Basel II (Refer Note 6)	20.57%	20.56%	21.18%	20.57%	21.18%	19.83%
	(iii) Earnings Per Share (EPS) [before and after extraordinary items, net of expenses] (Face value of Rs.10/-						
	- Basic (Rs.)	3.12	2.89	1.28	6.01	3.64	6.73
	- Diluted (Rs.)	3.11	2.89	1.28	6.00	3.63	6.71
	(iv) NPA Ratio						
	(a) Gross NPA	39,912	23,761	96,175	39,912	96,175	35,169
	(b) Net NPA	17,767	11,561	49,383	17,767	49,383	15,789
	(c)% of Gross NPA to Gross Advances	2.64%	1.65%	8.11%	2.64%	8.11%	2.49%
	(d) % of Net NPA to Net Advances	1.19%	0.81%	4.34%	1.19%	4.34%	1.13%
	(v) Return on Assets *	0.66%	0.62%	0.32%	1.27%	0.90%	1.63%
	(vi) Networth #	1,97,921	1,83,909	1,57,034	1,97,921	1,57,034	1,70,912
	(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
	(viii) Capital Redemption Reserve/ Debenture Redemption	-	-	-	-	-	-
	(ix) Debt - Equity Ratio **	0.94	1.31	1.32	0.94	1.32	1.47
	(x) Total debts ** to total assets	10.92%	13.17%	14.30%	10.92%	14.30%	16.59%

* Quarterly and 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.

As per regulation 54 of SEBI (Listing obligations & Disclosure Requirements) regulations 2015, the equity and debt listed entities are required to disclose certain ratios. However the ratios which are relevant to the Banking sector are disclosed above.



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Segment information in accordance with the RBI guidelines and Accountig Standard 17-"Segment Reporting"

Rs. In Lakh

SI No.	Particulars	Quarter ended 30 September 2023	Quarter ended 30 June 2023	Quarter ended 30 September 2022	Half Year ended 30 September 2023	Half Year ended 30 September 2022	Year ended 31 March 2023
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
(a)	Retail	89,750	86,558	63,579	1,76,308	1,30,480	2,78,706
(b)	Wholesale	2,071	2,009	1,413	4,080	2,594	5,767
(c)	Treasury	8,809	8,968	9,188	17,777	13,854	24,719
(d)	Other Banking Operations	1,598	1,643	1,143	3,241	2,227	4,965
(e)	Less: Inter Segment Revenue	-	-	-	-	-	-
	Income from operations	1,02,228	99,178	75,323	2,01,406	1,49,155	3,14,157
2	Segment Results						
(a)	Retail	16,134	13,029	4,243	29,163	18,524	35,916
(b)	Wholesale	965	948	500	1,913	1,078	2,831
(c)	Treasury	135	1,838	1,873	1,973	137	(2,765)
(d)	Other Banking Operations	1,595	1,559	1,097	3,154	2,141	4,622
	Total Profit Before Tax	18,829	17,374	7,713	36,203	21,880	40,604
3	Segment Assets						
(a)	Retail	14,90,301	14,30,520	11,40,087	14,90,301	11,40,087	13,74,633
(b)	Wholesale	66,073	62,321	41,955	66,073	41,955	66,087
(c)	Treasury	6,57,296	5,64,039	6,19,107	6,57,296	6,19,107	5,57,836
(d)	Unallocated	23,179	22,714	23,665	23,179	23,665	23,810
	Total Assets	22,36,849	20,79,594	18,24,814	22,36,849	18,24,814	20,22,366
4	Segment Liabilities						
(a)	Retail	14,64,091	13,99,554	11,65,439	14,64,091	11,65,439	13,83,845
(b)	Wholesale	55,879	50,895	33,856	55,879	33,856	52,077
(c)	Treasury	4,83,412	4,03,923	4,39,882	4,83,412	4,39,882	3,81,087
(d)	Capital & Reserves	1,97,921	1,83,909	1,57,034	1,97,921	1,57,034	1,70,913
(e)	Unallocated	35,546	41,313	28,603	35,546	28,603	34,444
	Total Liabilities	22,36,849	20,79,594	18,24,814	22,36,849	18,24,814	20,22,366

Notes

i) Consequent to the listing of equity shares as stated in Notes below and pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has disclosed the Segment Information. The figures for comparative periods in the segment information were neither reviewed nor subjected to audit as it was not required to be reported in the previous periods

ii) The business of the Bank does not extend outside India and does not have any assets outside India or earnings emanating from outside India. Accordingly, the Bank has reported operations in domestic segment only.

iii) Income, expenses, assets and liabilities have been either specifically identified to individual segments or allocated to segments on a reasonable basis or are classified as unallocated

iv) Unallocated item includes Capital expenditure, deferred income tax assets/ liabilities and advance tax etc.

v) In Computing the above information, certain estimates and assumptions have been made by the management and have been relied upon by the auditors.

vi) 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).



Notes :

1. Statement of Assets and Liabilities

Rs.in Lakh

Particulars	As at 30 September 2023	As at 31 March 2023
	Unaudited	Audited
CAPITAL AND LIABILITIES		
Capital	44,947	44,947
Employee Stock options Outstanding	574	588
Reserves and Surplus	1,52,974	1,25,965
Deposits	17,41,629	14,66,562
Borrowings	2,44,193	3,35,420
Other Liabilities and Provisions	52,532	48,884
Total	22,36,849	20,22,366
ASSETS		
Cash and Balances with Reserve Bank of India	96,967	73,955
Balances with Banks and Money at Call and Short Notice	17,527	2,750
Investments	5,59,056	4,88,853
Advances	14,90,175	13,92,433
Fixed Assets	19,007	18,793
Other Assets	54,117	45,582
Total	22,36,849	20,22,366
Contingent Liabilities	206	190
Bills for collection	-	-



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2. Statement of Cash Flow is given below:

Particulars	Rs. In Lakh	
	Half Year ended 30 September 2023	Year ended 31 March 2023
	Unaudited	Audited
Cash Flow from Operating Activities		
Net Profit Before Tax	36,204	40,604
Adjustments for:		
Depreciation on Bank's Property	2,456	4,179
Amortisation of Premium on HTM Investments	321	627
Profit/(Loss) on sale of investments (net)	(987)	(1,564)
(Profit)/Loss on sale of Fixed Assets	(1)	34
Provision for Non Performing Advances	22,837	61,579
Provision/(Reversal) for Standard Advances	(275)	(12,811)
Expense/(reversal) on Employee Stock Option	(14)	107
Provision for Depreciation on Investments (Net)	(29)	9,139
Provision for Other Contingencies	408	545
	60,920	1,02,439
(Increase)/ Decrease in Investments (other than HTM Investments)	(19,574)	(39,761)
(Increase)/ Decrease in Advances	(1,20,578)	(2,90,312)
(Increase)/ Decrease in Fixed Deposit with Bank (Original Maturity greater than 3 months)	-	-
(Increase)/ Decrease in Other Assets	(8,867)	(16,706)
Increase/ (Decrease) in Deposits	2,75,067	1,85,055
Increase/ (Decrease) in Other liabilities and provisions	3,466	8,344
Direct taxes paid (net)	(8,300)	(6,130)
Net Cash Flow from/(used in) Operating Activities (A)	1,82,134	(57,071)
Cash Flow from/(Used in) Investing Activities		
Purchase of Fixed Assets	(2,727)	(7,024)
Proceeds from Sale of Fixed Assets	57	(34)
(Increase)/ Decrease in Held to Maturity Investments	(49,934)	(50,264)
Net Cash Used in Investing Activities (B)	(52,604)	(57,322)
Cash Flow from/(Used in) Financing Activities		
Increase/(Decrease) in Borrowings	(91,227)	40,136
Share Issue Expenses	(514)	(229)
Cash Flow from/(used in) Financing Activities (C)	(91,741)	39,907
Net Increase in Cash and Cash Equivalents (A+B+C)	37,789	(74,486)
Cash and Cash Equivalents at the beginning of period/ year	76,642	1,51,128
Cash and Cash Equivalents at the end of period/year	1,14,431	76,642




3. The statement of unaudited financial results for the quarter and half year ended 30 September 2023 ("Statement" or "financial results") have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 18 November 2023 in accordance with the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Regulations") as amended. The results have been subjected to a limited review by the Joint Statutory auditors and an unmodified review report has been issued by them thereon.

The comparative financial information of the Bank for the Quarter/ Half Year ended 30 September 2022 included in the Statement have been reviewed by one of the Joint auditor M/s. Deloitte Haskins & Sells, who expressed an unmodified conclusion.

4. 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 ("Accounting Standard") as 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).

5. The Bank has applied its 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 2023. Any circular/ direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars/ directions.

6. 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 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.

7. 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:

Rs. In Lakh

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 31 March 2023 (A)	of (A) aggregate debt that slipped into NPA during the half year ended 30 September 2023	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 2023
Personal Loans	2,395	123	-	1,122	1,150
Corporate Persons *	-	-	-	-	-
Of Which MSMEs	-	-	-	-	-
Others	5,651	348	-	3,655	1,648
Total	8,046	471	-	4,777	2,798

* 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.

8 (i) During the quarter and half year ended 30 September 2023, the bank has not acquired / transferred any "loans not in default" through assignment of loans.

(ii) During the quarter and half year ended 30 September 2023, the bank has not acquired/ transferred any stressed loans (Non-performing Asset and Special Mention Account).

9. The Bank was carrying an additional contingency provision on standard assets of Rs. 13.24 crore as on 31 March 2023 and further made a provision of Rs. 6.74 Crore during the half year ended (Rs. 3.65 Crore during Quarter ended 30 September 2023) and consequently the contingency provision on standard assets as at 30 September 2023 stands at Rs. 19.98 Crore.

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

11. The Bank has completed the process of Initial Public Offer (IPO) and raised Rs. 390.70 Crore by issue of 6.53 Crore equity shares which got listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 10 November 2023.

The Bank has incurred certain expenses towards its aforesaid issue of equity shares which would be charged-off to securities premium account in accordance with Section 52 of the Companies Act, 2013.

12. During the Quarter ended 30 September 2023, the Bank has raised Tier II Capital in the form of Unsecured, Redeemable, Basel II Compliant Subordinated Bond amounting to Rs. 85 Crore.

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

Place : Mannuthy

Date : 18 November 2023



Kadambelil Paul Thomas
Managing Director & CEO
DIN: 00199925


